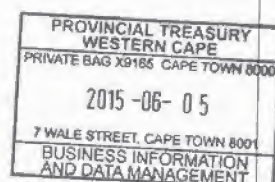


OVERSTRAND MUNICIPALITY



**BUDGET**

**BEGROTING**

**uHLAHLO LWABIWO MALI**

**2015/2016**







**MAYORAL SPEECH ON THE BUDGET AT THE COUNCIL MEETING ON 28 MAY 2015**

Mr Speaker  
Deputy Executive Mayor  
Mayoral Committee Member for Finance  
Councillors  
The Municipal Manager  
Officials  
Ladies and gentlemen

I herewith with a great sense of pride and thankfulness present the 2015/16 budget for the Overstrand Municipality to Council for consideration and approval.

The preparation of the 2015/16 budget was informed by the 3<sup>rd</sup> review of our 5 year Integrated Development Plan, which sets the strategic direction of Council. In the draft 2015/16 IDP review our Vision, Mission and 5 Strategic goals remain unchanged. To refresh your minds I will repeat the Municipality's 5 strategic goals as contained in the draft IDP review:

1. The provision of democratic, accountable and ethical governance
2. The provision and maintenance of municipal services
3. The encouragement of structured community participation in the matters of the municipality
4. The creation and maintenance of a safe and healthy environment
5. The promotion of tourism, economic and social development.

The Municipality involves all citizens in the process of ensuring a people-led government. Encouragement of structured community participation in the matters of the Municipality is a strategic objective. The input received from our ward committees, which we regard as the official channel for community consultation, the voices of our residents and other stakeholders were taken into consideration. This process started in August last year.

**Before I discuss the final outcome of the budget process, I will briefly reflect on the broader economic factors that informed the Budget for 2015/16 -**

We are still in a difficult economic climate, with indications that the year ahead will not bring about any improvement. We are also painfully aware that our pensioners and people whose only form of income is the interest on their life savings, cannot afford sharp increases of municipal rates and tariffs.

The affordability of tariff increases are thus of utmost importance to the municipality and the level of services versus the associated cost is a constant consideration.

Our consumers will again this year be negatively affected by the excessive electricity increase approved for Eskom, which will have a huge negative impact on the electricity tariffs of the Municipality, including the reality that load shedding will be part of our lives for the foreseeable future.

At the beginning of the budget process, political guidance was given to the administration that increases in tariffs should be limited to 6% and the increase in property rates should not increase by more than 7%. This excludes electricity where NERSA had given Eskom the right to increase their rates in excess of inflation.





The 6 kℓ free water per 30-day period has since 2014 only been given to residents who are registered for the indigent grant. National Treasury has urged all municipalities to ensure that water tariff structures are cost reflective. The second level of phasing in the increase in the 0 – 6 kℓ category to recover the cost of the production of water was postponed in 2014/15. This has now been implemented, representing an 11.5% increase applicable to the consumption of water between 0 – 6 kℓ per month.

The guideline given for sundry fees, for example building plan approval, will be limited to a 10% increase.

An Independent Financial Assessment of the Overstrand Municipality was prepared for us by the INCA Portfolio Managers.

This included an assessment of the Integrated Development Plan and sector master plans of the municipality. This was done with the purpose of identifying material matters that could impact on the long term financial sustainability of the municipality as well as to inform proposals regarding future policy directions.

It was recommended that the municipality, amongst others –

- avoid excessive overtime and standby time costs by filling critical vacancies;
- optimise the use of internal capacity and external service providers, and;
- explore more sharing of services with other municipalities.

We went out of our way to eliminate non-core spending and we have paid special attention to cost-containing measures. Suffice to say that apart from the administration being called upon to ensure that costs are contained in every possible way, we also need to put in place measures to generate a more substantial surplus from our operating budget.

- As part of the Municipality's cost re-prioritisation and cash management strategy, vacancies have been significantly rationalised downwards. A total of twenty three posts were abolished from the organisational structure.
- The Protection Services directorate has been restructured whereby a shift system has been introduced resulting in substantial savings on overtime and standby allowances.
- From my side, I only appointed one Mayco Member following the retirement of two Mayco members last year. This is in addition to the vacancy that already existed on my Mayco.
- All remuneration increases have been budgeted for at 6,1%, pending the outcome of salary negotiations and determinations.

Budget appropriations for asset renewal as part of the capital programme and operational repairs and maintenance of existing asset infrastructure remain a challenge.

We are mindful of the fact that repairs and maintenance of municipal assets are required to ensure the continued provision of services and this has been taken into account during the drafting process of the budget.

On the positive side, I can confirm that -

- All facilities and requirements related to the operating of the Municipal Court are in place, including the proclamation required for the court to become fully operational;







- The Karwyderskraal Landfill Site was officially opened on the 2<sup>nd</sup> of April 2015;
- The municipality has approved participation in a shared service appointment of a Risk Manager, where this appointment will benefit all municipalities in the Overberg District;
- Rebates in terms of the Property Rates Policy have been increased;
- Parking fees at Overstrand beaches have been abolished;
- Cemetery fees have not been increased in the 2015/16 budget;
- The tariffs for Building Line Departures have also not been increased.

The publishing of the regulation on the **Standard Chart of Accounts (SCOA)** on 22<sup>nd</sup> of April 2014 will have a profound effect on the business of local government. This reform is not limited to a financial reform, but a business reform as a whole. It is the largest reform since the promulgation of the Municipal Finance Management Act in 2003.

Overstrand municipality was identified as one of the national pilot sites for the early implementation of SCOA and the Bytes financial system. This budget has been compiled according to the SCOA classification framework.

**Total operating revenue** has grown by 10,5% to R895m for the 2015/16 financial year when compared to the 2014/2015 Adjustment Budget. For the two outer years, operational revenue will increase by 8,7 and 5,7% respectively. The higher increase for 2015/16 is informed by increased grant funding, which includes an additional equitable share of R12,5m and housing top structures amounting to R17m.

**Total operating expenditure** for the 2015/16 financial year has been appropriated at R964,5m and translates into a budgeted deficit of R69,5m. When compared to the 2014/2015 Adjustments Budget, operating expenditure has grown by 3,3% in the 2015/16 budget and by 7,6 and 5,9 per cent for each of the respective outer years of the MTREF. The increase of 3,3% for 2015/16 is notwithstanding an additional R17m expenditure for housing top structures.

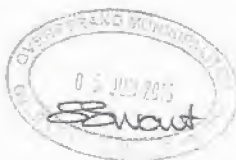
The negative difference between income and expenses of R69,5 million is represented by non-cash items, one of the biggest items being depreciation. After other cash flows such as the redemption of external loans, we will be left with a cash surplus of R8,1 million.

**The capital budget** of R103,9m for 2015/16 is 15,4% less when compared to the 2014/2015 Adjustment Budget. The reduction is due to the available resources to fund the capital budget.

The capital programme decreases to R94,6m in 2015/16 and amounts to R103,6m in the respective outer years. An estimated R100m is required annually to sustain capital infrastructure.

#### So what are we achieving with this budget?

- We have managed to limit the overall impact of the tariff increases on household bills below 6,3% and the increase for indigent households to 2,6%. *This excludes the impact of electricity tariff increases.*
- We have budgeted for a small surplus on the operational budget to provide funds from our own resources for capital expenditure during 2017/18 financial year.
- We will continue essential maintenance of our infrastructure.
- We will continue to focus on increasing productivity.
- We will continue to lobby National and Provincial Government to increase our equitable share and to eliminate unfunded mandates.





- We will also continue to lobby the Department of Human Settlements to increase our MIG grant for affordable housing to ensure that this does not put an additional financial burden on the Municipality.

The draft budget was assessed by a technical committee from the Western Cape Provincial Government who found the budget proposals to be credible and sustainable.

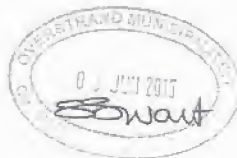
**In conclusion:**

Overstrand Municipality takes pride in achieving Clean Audit status for two consecutive years, and in being judged as the most productive local municipality in South Africa by the Municipal IQ during December 2014, as well as coming first in the Back-to-Basics Programme.

I want to conclude by thanking the community of the Overstrand and all role-players for their support and participation in the IDP review and Budget processes to ensure accountability and good governance to all the people of Overstrand.

I want to thank Clr Dudley Coetzee, Chairperson of Finance, the Municipal Manager and all the Directors for their commitment, dedication and support during the budget process, all councillors for studying the documents and their input via the ward committees. With all the assistance, Mr Speaker, I have pleasure in proposing the adoption of the 2015/16 Budget.

ALD NICOLETTE BOTHA-GUTHRIE  
EXECUTIVE MAYOR: OVERSTRAND  
28 May 2015









**ORDINARY MEETING OF THE COUNCIL**  
**GEWONE VERGADERING VAN DIE RAAD**  
**INTLANGANISO YESIQHELO YEBHUNGA**

**MINUTES / NOTULE /**

**IMIZUZU**

**DATE / DATUM / UMHLA :** 28 MAY / MEI / MEYI 2015  
**VENUE / PLEK / INDAWO :** BANQUETING HALL,  
BANKETSAAL,  
**CIVIC CENTRE / BURGERSENTRUM / IZIKO LOLUNTU**  
**HERMANUS**  
**TIME / TYD / IXESHA:** 11:00





## OVERSTRAND

MUNICIPALITY / MUNISIPALITEIT / U-MASIPALA

MINUTES OF THE COUNCIL MEETING  
HELD IN THE BANQUETING HALL, CIVIC CENTRE,  
HERMANUS, ON 28 MAY 2015, AT 11:00

### PRESENT/ TEENWOORDIG

Councillors were present as per attached attendance register.

### OFFICIALS PRESENT/

#### AMPTENARE TEENWOORDIG

Mr C Groenewald, Municipal Manager  
Ms S Reyneke-Naudé, Director : Finance  
Mr S Müller, Director : Infrastructure & Planning  
Ms D Arrison, Director : Management Services  
Mr N Michaels : Director : Protection Services  
Mr R Williams, Director : Community Services  
Mr H Blignaut, Deputy Director : Engineering Services  
Mr C le Roux, Deputy Director: Finance  
Ms H van der Stoep, Senior Town Planner  
Mr F Myburgh, Senior Manager : Gansbaai Administration  
Ms R Louw, Senior Manager: Strategic Services  
Mr B King, Senior Manager : Financial Services  
Ms E Hooneberg, Senior Manager : Income  
Mr F Frans, Manager: Housing Administration  
Mr G Smit, Manager : Social Development  
Mr J van Taak, Manager: Solid Waste  
Ms N Zweni, Communications Officer  
Ms H van Tonder, Manager: Council Support Services  
Mr L Tait, Accountant : Capital Budget  
Ms V Allen, Manager : Financial Accounting  
Ms E Sales, PA : Director : Infrastructure & Planning  
Ms R Pretorius, PA : Municipal Manager  
Mr P Roux, Town Planner  
Ms S Swart, Administrative Officer : Council Support Services  
Ms G Erasmus, Clerk : Auditorium & Administration  
Interns


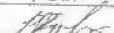



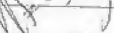






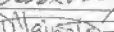

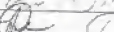



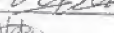




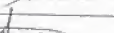
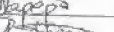
MINUTES/....





OVERSTRAND MUNICIPALITY  
ATTENDANCE REGISTER

COUNCIL MEETING  
28 MAY 2015

ALDERMAN/COUNCILLORS	SIGNATURE
ANDREWS, M	
APPELGREIN, P	
BEYERS-CRONJE, L	
BOTHA, D	
BOTHA-GUTHRIE, N	
BRICE, K	
COETSEE, A	
COETZEE, DP	
DE CONING, R	
DYANI, M	
GXAMESI, S	
JANUARIE, JJS	
NQINATA, NNT	
KRIGE, L	
MACOTHA, VC	
MANDINDI, CQ	
MAY, P	
NELL, E	
NDEVU, L	
OPPERMAN, M	
PIE, MT	
PONOANE, MV	
PRINS, A	
SAPEPA, NM	
SMITH, RJ	





1. **OPENING**

The Municipal Manager, Mr C Groenewald, read the notice convening the meeting.

2. **APPLICATIONS FOR LEAVE OF ABSENCE**

Cllr J J Januarie

**RESOLVED**

that the above-mentioned application for leave of absence, **be granted.**







5. CONSIDERATION OF RECOMMENDATIONS MADE BY THE EXECUTIVE MAYOR TO COUNCIL, IN TERMS OF SECTION 160(2) OF THE CONSTITUTION, 1996, AND SECTION 59(1)(a) OF THE LOCAL GOVERNMENT: MUNICIPAL SYSTEMS ACT 2000 (ACT 32 OF 2000)

5.5

FINAL INTEGRATED DEVELOPMENT PLAN (IDP) REVIEW 2015/16

(ITEM 7, PAGE : MAYORAL COMMITTEE MEETING : 28 MAY 2015)

RESOLVED (UNANIMOUSLY):

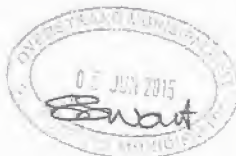
that the final reviewed Integrated Development Plan (IDP) for 2015/16, be approved

RESPONSIBLE OFFICIAL :

R LOUW

TARGET DATE FOR IMPLEMENTATION :

1 JULY 2015





5.7

REVISION OF ALL BUDGET RELATED POLICIES OF THE OVERSTRAND MUNICIPALITY

(ITEM 9, PAGE 218 : MAYORAL COMMITTEE MEETING : 28 MAY 2015)

RESOLVED (UNANIMOUSLY):

that the revised policies be approved and implemented with effect from 1 July 2015.

RESPONSIBLE OFFICIAL :

S REYNEKE-NAUDE

TARGET DATE FOR IMPLEMENTATION :

1 JULY 2015





(ITEM 10, PAGE 465 : MAYORAL COMMITTEE MEETING : 28 MAY 2015)

THE SPEAKER REQUESTED THAT IT BE MINUTED THAT HE AFFORDED THE EXECUTIVE MAYOR TIME TO DELIVER HER BUDGET SPEECH IN ACCORDANCE WITH RULE 30

THE EXECUTIVE MAYOR DELIVERED HER BUDGET SPEECH, A COPY OF WHICH IS ATTACHED AS ANNEXURE A TO THE MINUTES

CLLR N SAPEPA RAISED HER DISSATISFACTION ON BEHALF OF THE ANC WITH REGARD TO THE MUNICIPALITY'S CLEAN AUDIT VERSUS SERVICE DELIVERY TO THE PREVIOUS DISADVANTAGED COMMUNITIES. SHE HANDED OVER PHOTOGRAPHS AND WORKS ORDERS TO THIS EFFECT. THE SPEAKER REQUESTED THAT THE MUNICIPAL MANAGER COMPILE A FULL REPORT IN THIS REGARD. THE EXECUTIVE MAYOR REQUESTED THAT THE DETAILED REPORT BE SUBMITTED TO HER OFFICE FOR FURTHER INVESTIGATION.

THE ANC REQUESTED THE MEETING TO ADJOURN FOR A CAUCUS AT 12:26

THE MEETING RESUMED AT 12:35

#### RESOLVED (UNANIMOUSLY):

1. that, in terms of section 24 of the Municipal Finance Management Act, (Act 56 of 2003), the annual budget of the Municipality for the 2015/16 to 2017/2018 MTREF (Medium Term Revenue and Expenditure Framework) period **be approved** as set out in the following schedules:
  - Schedule 1: Budgeted financial performance (revenue & expenditure by municipal vote)
  - Schedule 2: Budgeted financial performance (revenue by source & expenditure by type)
  - Schedule 3: Budgeted multi- and single year capital appropriations by standard classification (vote) and funding by source
  - Schedule 4: Budgeted financial position
  - Schedule 5: Budgeted cash flow
  - Schedule 6: Cash backed reserves and acc. surplus reconciliation
  - Schedule 7: Asset management
  - Schedule 8: Basic service delivery measurement
2. that the property rates reflected in **Annexure A to the item, be imposed** for the budget year 2015/16;
3. that tariffs and charges reflected in **Annexure A to the item, be approved** for the budget year 2015/16;





4. that the Municipal Manager be authorised to sign all the necessary agreements and documents to give effect to the three year borrowing programme for external loans amounting to R30 million per annum;
5. that the following schedules be noted:  
**Schedule 9:** Budgeted financial performance (revenue & expenditure by standard classification)  
**Schedule 10:** Budgeted capital appropriations by municipal vote
6. that **cognisance be taken** of the letters of comment received from the community and the LG MTEC 3 Assessment Report by Provincial Treasury and the Provincial Department of Local Government, included in Annexures I and J respectively of the budget report; and
7. that **cognisance be taken** of the 2015/2016 Budget Report.

RESPONSIBLE OFFICIAL :

BA KING

TARGET DATE FOR IMPLEMENTATION :

1 JULY 2015

ALD M PONOANE RAISED A MOTION ON A POINT OF ORDER WITH REGARD TO THE REACTION OF MEMBERS IN THE GALLERY AND/OR COUNCILLORS WHEN THE ANC REQUESTED A CAUCUS. THE SPEAKER MENTIONED THAT THE MOTION DID NOT PERTAIN TO THE BUDGET ITEM, BUT THAT HE WILL ALLOW IT AS A POINT OF ORDER IN TERMS OF RULE 19 OF THE STANDARD BY-LAW ON RULES OF ORDER FOR INTERNAL ARRANGEMENTS PERTAINING TO THE CONDUCT OF COUNCILLORS AND MEMBERS OF THE PUBLIC IN THIS COUNCIL CHAMBER. SPEAKER TOOK NOTE OF ALD M PONOANE'S POINT OF ORDER BUT MADE NO RULING THEREON, AS HE HAS DEALT WITH THE MATTER IMMEDIATELY WHEN THE REACTION HAPPENED IN THE CHAMBER.







7. URGENT MATTERS SUBMITTED BY THE MUNICIPAL MANAGER

None

8. CONSIDERATION OF NOTICES OF MOTIONS / QUESTIONS

None

9. CONSIDERATION OF MOTIONS OF EXIGENCY

None

The meeting adjourned at 12:50

DATE

THE SPEAKER – A COETSEE







**ORDINARY MEETING OF THE MAYORAL  
COMMITTEE**

**GEWONE VERGADERING VAN DIE  
BURGEMEESTERSKOMITEE**

**INTLANGANISO YESIQHELO YEKOMITI  
KASODOLOPHU**

**A G E N D A**

**I-AJENDA**

DATE / DATUM / UMHLA :	28 MAY / MEI / MEYI 2015
VENUE / PLEK / INDAWO :	BANQUETING HALL / BANKETSAAL CIVIC CENTRE / BURGERSENTRUM / IZIKO LOLUNTU HERMANUS
TIME / TYD / IXESHA :	10:00





MUNICIPALITY / MUNISIPALITEIT / UMASIPALA WE-OVERSTRAND

Office of the Municipal  
Manager  
Municipal Offices  
HERMANUS

22 May 2015

**NOTICE TO ALL ALDERMEN AND COUNCILLORS**

NOTICE IS HEREBY GIVEN that an ORDINARY MEETING of the MAYORAL COMMITTEE will be held in the Banqueting Hall, Civic Centre, HERMANUS, on THURSDAY, 28 MAY 2015 at 10:00 to consider the items set out on the attached agenda.

C GROENEWALD  
MUNICIPAL MANAGER

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22 Mei 2015

**KENNISGEWING AAN ALLE RAADSHERE EN RAADSLEDE**

KENNIS WORD HIERMEE GEGEE dat 'n GEWONE VERGADERING van die BURGEMEESTERSKOMITEE gehou sal word in die Banketsaal, Burgersentrum, HERMANUS, op DONDERDAG, 28 MEI 2015 om 10:00 vir oorweging van die items op die meegaande agenda.

C GROENEWALD  
MUNISIPALE BESTUURDER

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22 Mei 2015

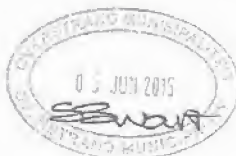
**ISAZISO ESIYA KUBO BONKE OOCEBAKHULU NOOCEBA**

**INTLANGANISO YESIQHELO YEKOMITI KASODOLOPHU WE-OVERSTRAND**

OKU KUKWAZISA ukuba intlanganiso YESIQHELO yeKOMITI KASODOLOPHU, iza kuba se Banqueting Hall, kwiZiko, eHERMANUS ULWESINE UMHLA, 28 MEYI 2015 ngeye-10:00 ukuqwalasela imicimbi ekule ajenda iqhotyoshelwe apha.

C GROENEWALD  
UMPHATHI KAMASIPALA

AGENDA/...





1. OPENING
2. APPLICATIONS FOR LEAVE OF ABSENCE







7.  
FINAL INTEGRATED DEVELOPMENT PLAN (IDP) REVIEW 2015/16

2/12/1

R Louw

(028) 313 8071

Corporate Head Office

13 May 2015

1. Executive Summary

The purpose of this report is to table the final reviewed IDP for the 2015/16 financial year. This will be the 3<sup>rd</sup> reviewed document for the 2012/2017 IDP cycle.

2. Service Delivery and Budget Implementation Plan - IGNITE

*Management Services*  
*Strategic Services*

3. Compliance with Strategic Priority

Provision of democratic, accountable and ethical governance

4. Delegated Authority

None

5. Legal Requirements

Section 34 of the Local Government: Municipal Systems Act, 2000 (32 of 2000) [Systems Act]

6. Background/Introduction/Discussion

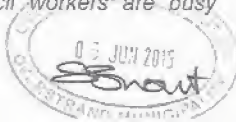
The draft reviewed IDP for 2015/16 which was tabled in Council on 25 March 2015 was advertised for public scrutiny and comment in the local newspapers. Attached are copies of the adverts which appeared in the Hermanus Times and Gansbaai Courant. (Annexure A).

The document was also placed on the municipal website and at the municipal libraries as from 2 April 2015 until 30 April 2015.

One (1) public comment was received as part of the budget comments by the closure date of 30 April 2015. The public comment from Ms Lina Steenkamp (ward 1) reads as follows:

"IDP (CAPITAL)

On the IDP nothing is mentioned for any tarring of roads for ward 1-especially in the Franskraal area, yet it was noted that Council workers are busy





*installing sidewalk curbing. Although we fully understand that the IDP is already fixed for the next three years, we wish to list the tarring of roads in Franskraal as an urgent priority. The roads are deteriorating at an alarming rate. You are welcome to visit Nico road to see the condition of our roads. Since we cannot drive on curbing, immediate action should be taken to improve the quality of roads."*

The tarring of roads in Masakhane/Franskraal (ward 1) is already included in the IDP project wish list in Chapter 12 of the Final IDP review 2015/16.

The Western Cape Provincial Government annually assesses the draft IDP's and Budgets of municipalities and feedback is given at the LG MTEC 3 engagement. During the Overstrand engagement on 28 April 2015, we received the following positive assessment: *"Overstrand Municipality's draft Reviewed 2015/16 IDP is a concise, responsive planning and performance reporting tool, which ably guides the Municipality towards achieving its strategic objectives."*

#### 7. Financial Implications

Provision was made on the operating budget to cover the costs associated with compilation of the document. The document was compiled in-house by our own staff.

#### 8. Staff Implications

Internal Staff

#### 9. Comments from other Departments, Divisions and Administrations

Additional comments were received from Directorates to finalise the IDP review.

#### 10. Annexures

Annexure A: Advertisements which appeared in the Hermanus Times and Gansbaai Courant.

Annexure B: Final IDP review for 2015/16 (Under separate file)

#### RECOMMENDATION TO THE COUNCIL:

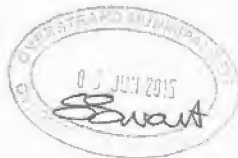
that the final reviewed Integrated Development Plan (IDP) for 2015/16, be approved.

RESPONSIBLE OFFICIAL :

R LOUW

TARGET DATE FOR IMPLEMENTATION :

1 JULY 2015







PREPARED BY:  
MAYORAL COMMITTEE 2-4-2015

1/4

#### OPPORTUNITIES TO SUBMIT REPRESENTATIONS

DRAFT REVIEWED INTEGRATED DEVELOPMENT PLAN (IDP) FOR 2015/16 AND RELATED DOCUMENTS

2. DRAFT INTEGRATED WASTE MANAGEMENT PLAN (IWMP) FOR 2015/16

NOTICE IS HEREBY GIVEN that the following information is available for comment:

- Draft Integrated Waste Management Plan (IWMP) in terms of waste 2-16 of the Municipal Waste to be for 2015/16
- Review of the Integrated Waste Management Plan (IWMP) and the Draft Integrated Waste Management Plan (IWMP) for 2015/16
- Draft Integrated Waste Management Plan (IWMP) for 2015/16 and the Draft Integrated Waste Management Plan (IWMP) for 2015/16

The local authority is seeking to inform the public of the draft Integrated Waste Management Plan (IWMP) for 2015/16 and the Draft Integrated Waste Management Plan (IWMP) for 2015/16. The draft Integrated Waste Management Plan (IWMP) for 2015/16 and the Draft Integrated Waste Management Plan (IWMP) for 2015/16 are available for comment from 28 May 2015 to 12 June 2015. The draft Integrated Waste Management Plan (IWMP) for 2015/16 and the Draft Integrated Waste Management Plan (IWMP) for 2015/16 are available for comment from 28 May 2015 to 12 June 2015.

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Comments and queries will be accepted until the draft Integrated Waste Management Plan (IWMP) for 2015/16 and the Draft Integrated Waste Management Plan (IWMP) for 2015/16 are available for comment from 28 May 2015 to 12 June 2015. Comments and queries will be accepted until the draft Integrated Waste Management Plan (IWMP) for 2015/16 and the Draft Integrated Waste Management Plan (IWMP) for 2015/16 are available for comment from 28 May 2015 to 12 June 2015.

C. DORRISWALD  
MAYORAL MANAGER

Environmental Services  
PO Box 100  
MSPHALLS  
2000

For further information contact:

01223 333333







Amended &  
Revised Times 2/4/2015

2/4

**GELEENTHEID OM VERLOF TE GEE**

1. KONSEP HERSTELLING GEMEENTEGEREDE ONTWIKKELINGSPLAN (ROOF) VIR 2015/16 EN VERWANTE OORLEENINGE
2. KONSEP GEMEENTEGEREDE VERLOF KRAAL BESIGKUNTINGSLAN (KRAAL) VIR 2016/17

**KENNIS GEGEEN WERD** (in die volgende dokumente verskynende besonderhede)

- KONSEP HERSTELLING GEMEENTEGEREDE ONTWIKKELINGSPLAN (ROOF) vir 2015/16 en verwante oorsake
- KONSEP VERLOF KRAAL BESIGKUNTINGSLAN (KRAAL) vir 2016/17
- KONSEP GEMEENTEGEREDE VERLOF KRAAL BESIGKUNTINGSLAN (KRAAL) vir 2016/17
- KONSEP GEMEENTEGEREDE VERLOF KRAAL BESIGKUNTINGSLAN (KRAAL) vir 2016/17

Die voorgestelde veranderinge aan die huidige verordeninge is in ooreenstemming met die veranderinge wat in die verordeninge aangebring is deur die KPMG se verslag van 2014/15 en die veranderinge wat aangebring is deur die KPMG se verslag van 2015/16.

Die KPMG se verslag van 2014/15 en die KPMG se verslag van 2015/16 is in ooreenstemming met die veranderinge wat aangebring is deur die KPMG se verslag van 2014/15 en die KPMG se verslag van 2015/16.

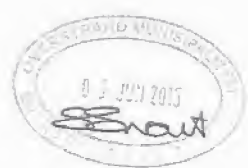
Die KPMG se verslag van 2014/15 en die KPMG se verslag van 2015/16 is in ooreenstemming met die veranderinge wat aangebring is deur die KPMG se verslag van 2014/15 en die KPMG se verslag van 2015/16.

Die KPMG se verslag van 2014/15 en die KPMG se verslag van 2015/16 is in ooreenstemming met die veranderinge wat aangebring is deur die KPMG se verslag van 2014/15 en die KPMG se verslag van 2015/16.

**C. GROENEWALD**  
**MUNISIPALE BESTUURDER**

Gedurende die vergadering  
President  
HEERENKOP  
2015

Gedurende die vergadering







124

O. GROENEWALD  
UMPHATHI KAMASILE





07 JUL 2015  
S. S. Swast



9.  
**REVISION OF ALL BUDGET RELATED POLICIES OF THE OVERSTRAND  
MUNICIPALITY**

5/B

S Reyneke-Naude

(028) 313 8040

Director : Finance

28 May 2015

**1. Executive Summary**

The purpose of the report is to present council with the amended budget related policies for approval and implementation with effect from 1 July 2015.

**2. Service Delivery and Budget Implementation Plan - IGNITE**

Directorate : Finance  
Department : Finance

**3. Compliance with Strategic Priorities**

Provision of democratic, accountable and ethical governance  
Provision and maintenance of municipal services

**4. Delegated Authority**

None

**5. Legal Requirements**

Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003) (MFMA)  
Local Government: Municipal Systems Act, 2000 (Act 32 of 2000)

**6. Background/Discussion/Evaluation/Conclusion**

To conform to the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003), the revised budget related policies of the Municipality must accompany the annual budget.

The draft revised budget related policies were tabled with the draft budget for 2015/2016 and were available to members of the public as well as council officials to comment on. All comments received were considered and addressed. The draft policies are herewith presented for approval and implementation.

**6.1 Policy changes**





### 6.1.1 INDIGENT POLICY

Change:	
	Indigent households with a property value less than R220 000.00 and electricity less than 500kWh (no income restriction) :
5 C (v)	Must be a South African citizen; and
	Indigent households with a property value greater than R220 000.00 and electricity less than 500kWh (income not exceeding the sum of four times the amount of the state funded social pension) :
5 D (v)	Must be a South African citizen;

### 6.1.2 SUPPLY CHAIN POLICY MANAGEMENT POLICY

Change:	
	<b>Bid Evaluation Committees</b>
28	<p>2) A Bid Evaluation Committee must be composed of:-</p> <ul style="list-style-type: none"> <li>a) a delegated supply chain management practitioner as chairperson; and</li> <li>b) the budget holder from the Directorate for whom the bid is called;</li> <li>c) <del>the Accounting Officer must appoint the chairperson of the committee.</del></li> </ul>

### 7. Financial Implications

N/A

### 8. Staff Implications

N/A







9. Comments from other Departments, Divisions and Administrations

None

10. Annexures

Annexure A: Property Rates Policy  
Annexure B: Tariff Policy  
Annexure C: Customer Care, Credit Control and Debt Collection Policy  
Annexure D: Indigent Policy  
Annexure E: Asset Management Policy  
Annexure F: Travel and Subsistence Policy  
Annexure G: Petty Cash Policy  
Annexure H: Payday Policy  
Annexure I: Supply Chain Policy Management Policy  
Annexure J: Contract Management Policy  
Annexure K: Investment and Cash Management Policy  
Annexure L: Budget Policy  
Annexure M: Virement Policy  
Annexure N: Borrowing Policy  
Annexure O: Funding and Reserves Policy  
Annexure P: Long Term Financial Planning and Implementation Policy

RECOMMENDATION TO THE COUNCIL:

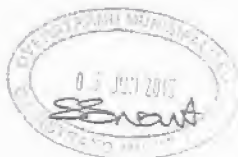
that the revised policies be approved and implemented with effect from 1 July 2015.

RESPONSIBLE OFFICIAL :

S REYNEKE-NAUDE

TARGET DATE FOR IMPLEMENTATION :

1 JULY 2015





10.  
FINAL BUDGET FOR OVERSTRAND MUNICIPALITY : 2015/2016

5/1/17-2015/2016

BA King

(028) 313 8154

Corporate Head Office

22 May 2015

**1. Executive Summary**

This report presents the proposed budget of Overstrand Municipality for the 2015/2016 to 2017/2018 MTREF (Medium Term Revenue and Expenditure Framework) period.

The comprehensive budget report is presented as Annexure C to this report.

**2. Service Delivery and Budget Implementation Plan - IGNITE**

Directorate: Finance  
Department: Financial Services

**3. Compliance with Strategic Priorities**

Provision of democratic, accountable and ethical governance  
Provision and maintenance of municipal services  
Creation and maintenance of a safe and healthy environment  
The encouragement of structured community participation in the matters of the municipality  
Promotion of tourism, economic and social development

**4. Delegated Authority**

None

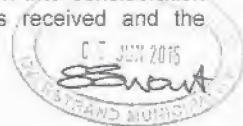
**5. Legal Requirements**

Local Government: Municipal Financial Management Act, 2003 (Act 56 of 2003) (MFMA)  
Local Government: Municipal Systems Act, 2000 (Act 32 of 2000)

**6. Background/Discussion/Evaluation/Conclusion**

Council noted the draft budget for 2015/16 as tabled on 25 March 2015. The budget was then presented to the community and other spheres of government for comments, as required by legislation.

Comments received from the community arising from the statutory IDP/Budget public consultation process have been taken into consideration for purposes of preparing this report. The comments received and the





municipality's responses are listed in Annexure B to this report. Letters of comment are included in Annexure I of the budget report.

The LG MTEC 3 engagement with the Provincial Treasury and Provincial Department of Local Government was held on 28 April 2015. The assessment report is included as Annexure J of the budget report.

Proposed amendments to the 2015/16 draft budget are summarised in paragraph 6.3 of this report and details of amendments are included in Annexure A of the budget report.

## 6.1 2015/16 Budget

### 1. Overview

National Treasury issued the following circulars regarding the budget for 2015/16, budget formats and budget content:

- MFMA Circulars No. 74 & 75: 2015/16 MTREF dated 12 December 2014 and 9 March 2015 respectively.
- MFMA Circular No. 71: Uniform Financial Ratios and Norms dated 17 January 2014.
- MFMA Budget Guide – Version 1: March 2011

The guidelines, as set out in these budget circulars, were taken into consideration during the compilation process of the budget.

Schedules 1 – 8, attached to this report, are submitted for budget approval and schedules 9 & 10 are submitted for noting by Council. Other tables, charts and supporting schedules are included in the budget report.

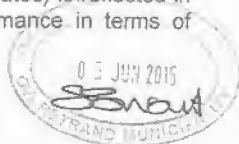
The Service Delivery and Budget Implementation Plan (SDBIP) will be submitted to the Executive Mayor for approval no later than 28 days after the approval of the budget.

### Accounting Standards

New and revised accounting standards were incorporated in the preparation of the budget.

## 6.2 Executive Summary of the 2015/16 Budget Proposals

1. 2015/16 Revenue Budget: The proposed revenue budget for 2015/16 is R959 388 802. This includes amounts of R63 353 604 for capital grants and R1 000 000 for Public Contributions. The budgeted financial performance by vote (directorates) is reflected in Schedule 1 and the budgeted financial performance in terms of revenue by source is reflected in Schedule 2.







2. 2015/16 Operating Expenditure Budget: The proposed operating expenditure budget for 2015/16 is R964 529 285. This includes depreciation and provision for post-retirement benefits amounting to R117 939 548 (non-cash items), of which the major portion for depreciation relates to unbundled assets with the implementation of GRAP, resulting in the expenditure exceeding revenue. The budgeted financial performance by vote (directorates) is reflected in Schedule 1 and the budgeted financial performance relating to expenditure by type is reflected in Schedule 2.
3. 2015/16 Capital Budget: The total proposed final capital budget for 2015/16 is R103 914 091. Capital budget votes and the funding thereof are reflected in Schedule 3 of this report and a list of capital projects, ward specific projects and housing projects (opex and capex) is included in Annexure E of the budget report.
4. Proposed increases to property rates, tariff and user charges:

The proposed property rates, tariffs and user charges for 2015/16 are included as Annexure A of this report. Examples of increases in the tariff baskets relating to a variety of consumers are included in Annexure D of the budget report.

The proposed increases for an average household for the coming financial year (2015/16) are as follows:

Table 1 : Average tariff increases

	2015/16	2014/15
Property rates: Residential	6,85%	15%
Electricity	11,07%	7,8%
Water	6,35%	6%
Sewerage tariffs	6%	6%
Refuse tariffs	6%	6%

The property rates for business, Farming/Agriculture and undeveloped erven are set to increase by 6,85%.

Further details of the 2015/16 budget proposals can be found in the Budget Report.

### 6.3. Proposed amendments to the 2015/16 draft budget

1. 2015/16 Revenue & Expenditure Budget: The following changes are proposed:







Table 2 : Revenue

<u>REVENUE AMENDMENTS AFFECTING THE BOTTOM LINE FOR 2015/2018</u>			
<u>Item</u>	<u>2015/2016</u>	<u>2016/2017</u>	<u>2017/2018</u>
<b>DRAFT BUDGET</b>	<b>958 526 402</b>	<b>1 034 248 966</b>	<b>1 102 130 455</b>
Beaches parking fees scrapped	(110 000)	(121 000)	(133 100)
Cemetery fees not increased	(19 600)	(21 160)	(17 220)
Application for Building Line			
Departure tariff not increased	(8 000)	(8 700)	(9 500)
Lottery funds rolled over	1 000 000		
<b>FINAL BUDGET</b>	<b>959 388 802</b>	<b>1 034 098 106</b>	<b>1 101 970 635</b>

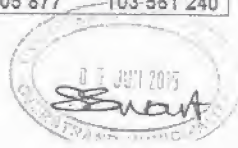
Table 3 : Expenditure

<u>OPERATIONAL EXPENDITURE AMENDMENTS AFFECTING THE BOTTOM LINE FOR 2015/2018</u>			
<u>Item</u>	<u>2015/2016</u>	<u>2016/2017</u>	<u>2017/2018</u>
<b>DRAFT BUDGET</b>	<b>977 507 635</b>	<b>1 037 493 157</b>	<b>1 098 292 121</b>
Ward 3 WSP: Transfer from Capex to Opex	60 000		
Library Grant: Transfer from Capex to Opex	46 000		
Housing Grant: Transfer from Opex to Capex	(13 084 350)		
<b>FINAL BUDGET</b>	<b>964 529 285</b>	<b>1 037 493 157</b>	<b>1 098 292 121</b>

2. 2015/16 Capital Budget: The following changes are proposed:

Table 4 : Capital Expenditure

<u>CAPITAL BUDGET AMENDMENTS 2015/18</u>			
	<u>2015/2016</u>	<u>2016/2017</u>	<u>2017/2018</u>
<b>DRAFT BUDGET</b>	<b>85 515 254</b>	<b>94 605 877</b>	<b>103 561 240</b>
Ward 3 WSP: Transfer to Opex from Capex	(60 000)		
Library Grant: Transfer to Opex from Capex	(46 000)		
Housing Grant: Transfer from Opex to Capex	13 084 350		
Projects rolled over from 2014/15 to 2015/16	5 420 487		
<b>FINAL BUDGET</b>	<b>103 914 091</b>	<b>94 605 877</b>	<b>103 561 240</b>





Further details and comments relating to the proposed changes can be found in Annexure A of the budget report.

### 3. Tariffs

The following amendments and improvements are proposed:

1.	Tariff Codes: S15A1 – S15A5	Cemetery Fees: Plot Cost <ul style="list-style-type: none"> <li>No increase</li> </ul>
2.	Tariff Codes: S32A – S32E	Parking Fee Beaches: Grotto & Kleinmond <ul style="list-style-type: none"> <li>Scrap Tariff Codes S32A – S32E</li> </ul>
3.	Tariff Codes: S72K2A & S72K2B	Application for Departure (Building Lines) <ul style="list-style-type: none"> <li>No increase</li> </ul>
4.	Refuse	SA2A2A: Change and correction of wording <ul style="list-style-type: none"> <li>Reference to SA2B1-SASB11 should be SA2B-SA2B11</li> </ul> SAN3A : Change in wording <ul style="list-style-type: none"> <li>"Load weigh per ton or part of", should be "As per tariff SA2B – SA2B11 per weighed load"</li> </ul>

### 7. Financial Implications

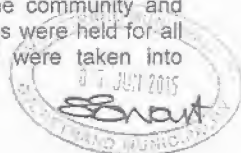
This report addresses the final proposals for the 2015/16 MTREF for the operational and capital budgets, financial position and cash flows. The key financial implications and challenges of adopting these proposals are the ability to generate revenue in the current economic climate and the continued delivery of sustainable services.

### 8. Staff Implications

No amendments were made to the draft salary budget.

### 9. Comments from other Departments, Divisions and Administrations

The Budget Report is included as Annexure C. The report serves as a comprehensive overview of the final budget. The compilation of the budget for 2015/16 adheres to the focus areas and strategic objectives of Council, as set out in the revised IDP. The draft budget was the result of several Budget Steering Committee, Senior Management, Ward Committee and OMAF meetings. The draft budget was presented to the community and organs of state for comment. Public participation meetings were held for all wards within the municipal area. Comments received were taken into





consideration for the final budget (Schedule of comments and the municipality's responses are included as Annexure B and letters of comment are included in Annexure I of the budget report).

#### 10. Annexures

- Schedule 1: Budgeted financial performance (revenue and expenditure by municipal vote)
- Schedule 2: Budgeted financial performance (revenue by source & expenditure by type)
- Schedule 3: Budgeted multi- and single year capital appropriations by standard classification (vote) and funding by source
- Schedule 4: Budgeted financial position
- Schedule 5: Budgeted cash flow
- Schedule 6: Cash backed reserves and accumulated surplus reconciliation
- Schedule 7: Asset management
- Schedule 8: Basic service delivery measurement
- Schedule 9: Budgeted financial performance (revenue & expenditure by standard classification)
- Schedule 10: Budgeted capital appropriations by municipal vote

- Annexure A: List of Rates, Tariffs, Tariff Structures and Charges
- Annexure B: Schedule of comments and responses
- Annexure C: Budget Report 2015/2016 (Under separate file)

#### RECOMMENDATION TO THE COUNCIL:

1. that, in terms of section 24 of the Municipal Finance Management Act, (Act 56 of 2003), the annual budget of the Municipality for the 2015/16 to 2017/2018 MTREF (Medium Term Revenue and Expenditure Framework) period **be approved** as set out in the following schedules:

- Schedule 1: Budgeted financial performance (revenue & expenditure by municipal vote)
- Schedule 2: Budgeted financial performance (revenue by source & expenditure by type)
- Schedule 3: Budgeted multi- and single year capital appropriations by standard classification (vote) and funding by source
- Schedule 4: Budgeted financial position
- Schedule 5: Budgeted cash flow
- Schedule 6: Cash backed reserves and acc. surplus reconciliation
- Schedule 7: Asset management
- Schedule 8: Basic service delivery measurement

2. that the property rates reflected in Annexure A, be imposed for the budget year 2015/16;







3. that tariffs and charges reflected in **Annexure A**, be approved for the budget year 2015/16;
4. that the Municipal Manager be authorised to sign all the necessary agreements and documents to give effect to the three year borrowing programme for external loans amounting to R30 million per annum;
5. that the following schedules be noted:  
**Schedule 9:** Budgeted financial performance (revenue & expenditure by standard classification)  
**Schedule 10:** Budgeted capital appropriations by municipal vote
6. that **cognisance be taken** of the letters of comment received from the community and the LG MTEC 3 Assessment Report by Provincial Treasury and the Provincial Department of Local Government, included in Annexures I and J respectively of the budget report; and
7. that **cognisance be taken** of the 2015/2016 Budget Report.

RESPONSIBLE OFFICIAL : BA KING

TARGET DATE FOR IMPLEMENTATION : 1 JULY 2015







WC010 00000000 - Schilling, J. - *Ecological Phenology and Growth of *Populus nigra* L. in the Danube Basin* - 1997





03 JUN 2015  
Sawant



SCHEDULE:

*AETD Questionnaire*, Schedule 1 - Capital Expenditure Budgeting Practices - was completed by each respondent.





### SCHEME 1







SCHEDULE 5

WILLIAMS COUNTY - BUDGET COMPARISON

Account	2014			2015			2016			2017		
	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance
<b>General Fund</b>												
Administrative	1,100,000	1,100,000	0	1,100,000	1,100,000	0	1,100,000	1,100,000	0	1,100,000	1,100,000	0
Public Works	1,100,000	1,100,000	0	1,100,000	1,100,000	0	1,100,000	1,100,000	0	1,100,000	1,100,000	0
Health Services	1,100,000	1,100,000	0	1,100,000	1,100,000	0	1,100,000	1,100,000	0	1,100,000	1,100,000	0
Social Services	1,100,000	1,100,000	0	1,100,000	1,100,000	0	1,100,000	1,100,000	0	1,100,000	1,100,000	0
Housing	1,100,000	1,100,000	0	1,100,000	1,100,000	0	1,100,000	1,100,000	0	1,100,000	1,100,000	0
Total General Fund	5,500,000	5,500,000	0	5,500,000	5,500,000	0	5,500,000	5,500,000	0	5,500,000	5,500,000	0
<b>Capital Projects</b>												
Roads	1,100,000	1,100,000	0	1,100,000	1,100,000	0	1,100,000	1,100,000	0	1,100,000	1,100,000	0
Water	1,100,000	1,100,000	0	1,100,000	1,100,000	0	1,100,000	1,100,000	0	1,100,000	1,100,000	0
Sewer	1,100,000	1,100,000	0	1,100,000	1,100,000	0	1,100,000	1,100,000	0	1,100,000	1,100,000	0
Total Capital Projects	3,300,000	3,300,000	0	3,300,000	3,300,000	0	3,300,000	3,300,000	0	3,300,000	3,300,000	0
<b>Grants</b>												
State	1,100,000	1,100,000	0	1,100,000	1,100,000	0	1,100,000	1,100,000	0	1,100,000	1,100,000	0
Federal	1,100,000	1,100,000	0	1,100,000	1,100,000	0	1,100,000	1,100,000	0	1,100,000	1,100,000	0
Total Grants	2,200,000	2,200,000	0	2,200,000	2,200,000	0	2,200,000	2,200,000	0	2,200,000	2,200,000	0
<b>Total Budget</b>	11,000,000	11,000,000	0	11,000,000	11,000,000	0	11,000,000	11,000,000	0	11,000,000	11,000,000	0





SCHEDULE 4

40215 Overhead - Schedule 4 - Cash balance/expense/credit/adjust payable/revenue/asset

Description	2011			2012			2013			2014		
	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance	Budget	Actual	Variance
Overhead												
Depreciation	10,000	10,000	0	10,000	10,000	0	10,000	10,000	0	10,000	10,000	0
Interest	5,000	5,000	0	5,000	5,000	0	5,000	5,000	0	5,000	5,000	0
Insurance	10,000	10,000	0	10,000	10,000	0	10,000	10,000	0	10,000	10,000	0
Utilities	10,000	10,000	0	10,000	10,000	0	10,000	10,000	0	10,000	10,000	0
Telephone	10,000	10,000	0	10,000	10,000	0	10,000	10,000	0	10,000	10,000	0
Postage	10,000	10,000	0	10,000	10,000	0	10,000	10,000	0	10,000	10,000	0
Travel	10,000	10,000	0	10,000	10,000	0	10,000	10,000	0	10,000	10,000	0
Entertainment	10,000	10,000	0	10,000	10,000	0	10,000	10,000	0	10,000	10,000	0
Miscellaneous	10,000	10,000	0	10,000	10,000	0	10,000	10,000	0	10,000	10,000	0
Total	100,000	100,000	0	100,000	100,000	0	100,000	100,000	0	100,000	100,000	0









OTIS 2012

Activity	2011			2012			2013		
	Jan	Feb	Mar	Jan	Feb	Mar	Jan	Feb	Mar
1. General Services	100	100	100	100	100	100	100	100	100
2. Maintenance	100	100	100	100	100	100	100	100	100
3. Security	100	100	100	100	100	100	100	100	100
4. Cleaning	100	100	100	100	100	100	100	100	100
5. Transportation	100	100	100	100	100	100	100	100	100
6. Food & Beverage	100	100	100	100	100	100	100	100	100
7. Entertainment	100	100	100	100	100	100	100	100	100
8. Other	100	100	100	100	100	100	100	100	100
<b>Total</b>	<b>1000</b>	<b>1000</b>	<b>1000</b>	<b>1000</b>	<b>1000</b>	<b>1000</b>	<b>1000</b>	<b>1000</b>	<b>1000</b>







### SCHEDULE A

Wolfgang Iversen and Christopher T. Liss, *Presidential Performance in the United States and Great Britain* (Cambridge, MA: Harvard University Press, 2006), pp. 320, \$49.95.





## 5045046-10





# OVERSTRAND MUNICIPALITY



## BUDGET REPORT

### 2015/2016

2015/16 TO 2017/18  
MEDIUM TERM REVENUE AND EXPENDITURE  
FORECASTS

**Copies of this document can be viewed:**

- At the offices of all Area Managers
- All public libraries within the municipality
- At [www.overstrand.gov.za](http://www.overstrand.gov.za)





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## Abbreviations and Acronyms

BSC	Budget Steering Committee	MEC	Member of the Executive Committee
CAPEX	Capital Budget/Expenditure	MFMA	Municipal Finance Management Act
CBD	Central Business District	MIG	Municipal Infrastructure Grant
CFO	Chief Financial Officer	MM	Municipal Manager
CPI	Consumer Price Index	MMC	Member of Mayoral Committee
DBSA	Development Bank of South Africa	MPRA	Municipal Properties Rates Act
DoRA	Division of Revenue Act	MSA	Municipal Systems Act
DWA	Department of Water Affairs	MTEF	Medium-term Expenditure Framework
EE	Employment Equity	MTREF	Medium-term Revenue and Expenditure Framework
EEDSM	Energy Efficiency Demand Side Management	NERSA	National Electricity Regulator South Africa
EM	Executive Mayor	NGO	Non-Governmental organisations
FBS	Free basic services	NKPIs	National Key Performance Indicators
GAMAP	Generally Accepted Municipal Accounting Practice	NT	National Treasury
GDP	Gross domestic product	OHS	Occupational Health and Safety
GFS	Government Financial Statistics	OP	Operational Plan
GRAP	General Recognised Accounting Practice	OPEX	Operating Budget/Expenditure
HR	Human Resources	OMAF	Overstrand Municipal Advisory Forum
IDP	Integrated Development Plan	PBO	Public Benefit Organisations
ICT	Information & Communication Technology	PMS	Performance Management System
kℓ	kilolitre	PPE	Property Plant and Equipment
km	kilometre	PPP	Public Private Partnership
KPA	Key Performance Area	PT	Provincial Treasury
KPI	Key Performance Indicator	RG	Restructuring Grant
kWh	kilowatt	SALGA	South African Local Government Association
ℓ	litre	SDBIP	Service Delivery & Budget Implementation Plan
LED	Local Economic Development	SMME	Small Micro and Medium Enterprises
mSCOA	Municipal Standard Chart of Accounts		



## Part 1 – Annual Budget

### 1.1 Mayor's Report

The Executive Mayor delivers her Budget speech with the tabling of the final budget for approval. A copy of the speech will be included thereafter.

The revised IDP will also be tabled during the Council meeting.

### 1.2 Council Resolution

The following is the resolution that will be considered for the approval and adoption of the annual budget for 2015/2016:

#### RECOMMENDATION TO THE COUNCIL:

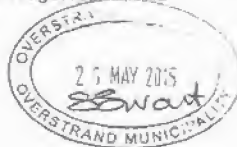
1. that in terms of section 24 of the Municipal Finance Management Act, (Act 56 of 2003) the annual budget of the Overstrand Municipality for the 2015/16 to 2017/18 MTREF (Medium Term Revenue and Expenditure Framework) period **be approved and adopted** as set out in the following schedules:

<b>Schedule 1:</b>	Budgeted financial performance (revenue & expenditure by municipal vote)
<b>Schedule 2:</b>	Budgeted financial performance (revenue by source & expenditure by type)
<b>Schedule 3:</b>	Budgeted multi- and single year capital appropriations by standard classification (vote) and funding by source
<b>Schedule 4:</b>	Budgeted financial position
<b>Schedule 5:</b>	Budgeted cash flow
<b>Schedule 6:</b>	Cash backed reserves and acc. surplus reconciliation
<b>Schedule 7:</b>	Asset management
<b>Schedule 8:</b>	Basic service delivery measurement

2. that in terms of section 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) the property rates reflected in **Annexure A, be imposed** for the budget year 2015/16;
3. that in terms of section 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) tariffs and charges reflected in **Annexure A, be approved** for the budget year 2015/16;
4. that the Municipal Manager be authorised to sign all necessary agreements and documents to give effect to the three year borrowing programme for external loans amounting to R30 million per annum;
5. that the following schedules be noted:

<b>Schedule 9:</b>	Budgeted financial performance (revenue & expenditure by standard classification)
<b>Schedule 10:</b>	Budgeted capital appropriations by municipal vote

6. that **cognisance be taken** of the letters of comment received from the community and the LG MTEC 3 Assessment Report by Provincial Treasury and the Provincial Department of Local Government, included in Annexures I and J respectively of the budget report; and





7. that cognisance be taken of the 2015/2016 Budget Report.

### 1.3 Executive Summary

The application of sound financial management principles for the compilation of the Municipality's financial plan is essential and critical to ensure that the Municipality remains financially viable and that municipal services are provided sustainable, economically and equitably to all communities.

The Municipality's business and service delivery priorities were reviewed as part of this year's planning and budget process. Where appropriate, funds were transferred from low- to high-priority programmes so as to maintain sound financial stewardship. A critical review was also undertaken of expenditure on non-core and 'nice to have' items.

The Municipality has undertaken various customer care initiatives to ensure the municipality truly involves all citizens in the process of ensuring a people lead government. Encouragement of structured community participation in the matters of the municipality is now a strategic objective.

The publishing of the regulation on the Standard chart of Accounts (SCOA) on 22 April 2014 will have a profound effect on the business of local government. This reform is not limited to a financial reform, but a business reform as a whole. It is the largest reform since the promulgation of the Municipal Finance Management Act in 2003.

The following are extracts from the preamble to the regulations:

*"Section 216 of the Constitution of the Republic of South Africa, 1996, provides that national legislation must prescribe measures to ensure transparency and expenditure control in each sphere of government by introducing generally recognised accounting practice, uniform expenditure classifications and uniform treasury norms and standards." "These Regulations propose segments and a classification framework for the standard chart of accounts to be applied in local government in similar form to that implemented for national and provincial government departments. In order to enable the National Treasury to provide consolidated local government information for incorporation in national accounts, national policy and other purposes, it must obtain financial information from individual municipalities."*

The regulations contain amongst others, segment and classification framework for SCOA, minimum business process and system requirements and responsibilities of municipal councils and accounting officers.

The segments classification consists of the following:

*Funding segment* – This segment relates to the various sources of funding available to municipalities and municipal entities for financing expenditure relating to the operation of the municipality and provides for both capital and operational spending.

*Function segment* - This segment provides for the classification of the transaction according to the function or service delivery objective and provides for the standardisation of functions and sub-functions across local government.

*Municipal Standard Classification Segment* - This segment provides for the organisational structure and functionality of an individual municipality, which is not prescribed.

*Project Segment* - This segment provides for the classification of capital and operating projects on the basis of whether it relates to a specific project and if so, the type of project.



*Regional Indicator Segment* - This segment identifies and assigns government expenditure to the lowest relevant geographical region within which the intended beneficiaries of the service or capital investment are located.

*Item Segment* - This segment provides for the classification of item detail in the presentation of the financial position, performance and cash flow according to the nature of the transaction either as revenue, expenditure, asset, liability or net asset.

*Costing Segment* - This segment provides for a classification structure for secondary cost elements with reference to departmental charges, internal billing etc. and acts as a cost collector in determining inter alia total cost of services.

Overstrand municipality was identified as one of the official national pilot sites to early implement SCOA and to pilot the Bytes financial system. This budget has been compiled according to the SCOA classification framework.

National Treasury's MFMA Circulars No. 74 & 75 was used as guidance for the compilation of the 2015/16 MTREF.

The main challenges experienced during the compilation of the 2015/16 MTREF can be summarised as follows:

- The on-going difficulties in the national and local economy;
- Ever aging water, roads, sewage and electricity infrastructure;
- Sustainable refuse disposal;
- The need to reprioritise projects and expenditure within the existing resource envelope given the cash flow realities of the municipality;
- The increased cost of bulk electricity (due to tariff increases by Eskom in excess of inflation), which is placing upward pressure on service tariffs to residents. Continuous high bulk tariff increases are not sustainable, as there will be point where services will no longer be affordable;
- Revenue recovery from cost reflective core municipal services;
- Wage increases for municipal staff that have exceeded headline consumer inflation in the past, as well as the need to restructure certain components for operational efficiencies;
- Affordability of capital projects – original allocations were reduced with respect to the borrowing programme and the operational expenditure associated with prior year's capital investments needed to be factored into the budget as part of the 2015/16 MTREF process; and
- Maintaining a positive cash flow.

The following budget principles and guidelines directly informed the compilation of the 2015/16 MTREF:

- The 2014/2015 Adjustments Budget priorities and targets, as well as the base line allocations contained in that Adjustments Budget informed the upper limits for the new baselines for the 2015/16 annual budget;
- Intermediate service level standards were used to inform the measurable objectives, targets and any backlog eradication goals;
- Tariffs and property rates increases should aim to be affordable. The rate of increases in property rates has lagged in the past years;
- Some price increases in the input costs of services are beyond the control of the municipality, for instance the cost of bulk electricity, fuel and chemicals. In addition, tariffs need to remain or move towards being cost reflective, and should take into account the need to address infrastructure maintenance and backlogs;
- There will be no budget allocated to national and provincial funded projects unless the necessary grants to the municipality are reflected in the national and provincial budget and have been gazetted as required by the annual Division of Revenue Act;





- The following cost saving measures were applied:
  - Restructuring of the personnel corps in protection services and introduction of a shift system;
  - Abolishment of twenty three posts;
  - Reduction in the borrowing programme;
  - Principle of 0% increase in non-core general expenses unless valid motivations dictate.

In view of the aforementioned, the following table is a consolidated overview of the proposed 2015/16 Medium-term Revenue and Expenditure Framework;

**Table 1 Consolidated Overview of the 2015/16 MTREF**

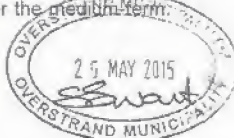
	Budget Year 2014/15	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18			
Revenue	810 351	895 035	973 222	1 028 409	10.5%	8.7%	5.7%
Expenditure	933 322	964 529	1 037 493	1 098 292	3.3%	7.6%	5.9%
Surplus / (Deficit)	(122 971)	(69 494)	(64 271)	(69 883)			
Capital	122 785	103 914	94 606	103 561	-15.4%	-9.0%	9.5%

Total operating revenue has grown by 10,5 per cent for the 2015/16 financial year when compared to the 2014/2015 Adjustments Budget. For the two outer years, operational revenue will increase by 8,7 and 5,7 per cent respectively. The higher increase for 2015/16 is informed by increased grant funding, which includes additional equitable share of R12,5m and housing top structures amounting to R17m.

Total operating expenditure for the 2015/16 financial year has been appropriated at R964,5m and translates into a budgeted deficit of R69,5m. When compared to the 2014/2015 Adjustments Budget, operating expenditure has grown by 3,3 per cent in the 2015/16 budget and by 7,6 and 5,9 per cent for each of the respective outer years of the MTREF. The increase of 3,3 per cent for 2015/16 is notwithstanding an additional R17m expenditure for housing top structures.

It should be noted that although the 2015/2016 operational budget and indicative years indicate budgeted deficits, this does not reflect the actual cash position. These circumstances arose as the result of the implementation of GRAP, with special reference to GRAP 17 (Property, Plant and Equipment-PPE). The asset value before depreciation is in excess of R6,1 billion, which relates to substantially high depreciation charges. Although accurately reflecting asset value, the cost of a substantial portion of these assets had been fully redeemed previously, but the useful life of assets were extended as well as ever increasing assets funded by grants. The replacement thereof can thus not be recouped via current tariffs as this would lead to taxation in advance of need and no reserves may be established for these purposes. The principle of recovering actual cash costs during each financial period is adhered to.

The capital budget of R103,9m for 2015/16 is 15,4 per cent less when compared to the 2014/2015 Adjustments Budget. The reduction is due to the available resources to fund the capital budget. The capital programme decreases to R94,6m in 2016/17 and amounts to R103,6m in the respective outer years. An estimated R100m is required annually to sustain capital infrastructure. The reduction in own funding (borrowing) is largely due to cost containment measures as a smaller portion of the capital budget (32%) will be funded from borrowing over the MTREF with anticipated borrowings of R90m. The balance will be funded from internally generated funds (3%) and capital grants (65%). The Municipality had reached its prudential borrowing limit of 60% of operational revenue in 2012 and has embarked on a strategy to manage this rate down by at least 10%. At the current borrowing programme this rate will be managed down to 44% by 2017/18 in this MTREF. National Treasury has recommended an upper limit of 45% in the norms and ratios published in 2014. As a result there is limited scope to increase these borrowing levels over the medium term.



The repayment of capital and interest (debt services costs) had increased over the previous five years as a result of the aggressive capital infrastructure programme implemented over those five years. The repayment of capital and interest (debt services costs) remains within the acceptable norms. Consequently, the capital budget remains relatively flat over the medium-term.

#### 1.4 Operating Revenue Framework

For Overstrand to continue improving the quality of services provided to its citizens it needs to generate the required revenue. In these tough economic times strong revenue management is fundamental to the financial sustainability of the municipality. The reality is that we are faced with an increasing population (7<sup>th</sup> highest growth nationally as per the 2011 census), development backlogs and increasing poverty levels. The expenditure required to address these challenges will inevitably always exceed available funding; hence difficult choices have to be made in relation to tariff increases and balancing expenditures against realistically anticipated revenues.

The municipality's revenue strategy is built around the following key components:

- National Treasury's guidelines and macroeconomic policy;
- Growth in the Municipality and continued economic development;
- Efficient revenue management, which aims to ensure levels above 99 per cent annual collection rates for property rates and other key service charges (current collection level is in excess of 99%);
- Electricity tariff increases for Eskom and thus increased bulk purchases tariffs for the municipality, as approved by the National Electricity Regulator of South Africa (NERSA);
- Achievement of cost recovery of specific user charges especially in relation to trading services;
- Determining the tariff escalation rate by establishing/calculating the revenue requirement of each service;
- The municipality's Property Rates Policy approved in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004) (MPRA);
- Increased pressure to deliver and maintain services and recover costs;
- The municipality's Indigent Policy and rendering of free basic services; and
- Tariff policies of the Municipality.

The following table is a summary of the 2015/16 MTREF (classified by main revenue source):

Table 2 Summary of revenue classified by main revenue source

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>Revenue By Source</b>									
Property rates	108 913	120 795	134 813	148 640	153 509	153 509	162 730	173 308	184 573
Property rates - penalties & collection charges	625	772	821	1 050	1 050	1 050	891	990	1 079
Service charges - electricity revenue	224 980	247 883	268 362	310 085	310 085	310 085	339 877	371 635	407 747
Service charges - water revenue	82 755	85 243	85 136	95 897	95 897	95 897	102 045	107 700	113 691
Service charges - sanitation revenue	57 212	59 896	62 768	63 455	63 455	63 455	66 375	70 081	74 010
Service charges - refuse revenue	39 498	46 637	52 957	56 130	56 130	56 130	59 488	63 061	66 849
Service charges - other	—	—	—	—	—	—	—	—	—
Rental of facilities and equipment	6 743	7 212	7 591	7 968	7 968	7 968	11 559	12 553	14 176
Interest earned - external investments	6 381	7 535	8 352	8 168	8 168	8 168	8 348	8 348	8 348
Interest earned - outstanding debtors	2 321	2 199	2 119	2 288	2 288	2 288	2 437	2 600	2 948
Dividends received	—	—	—	—	—	—	—	—	—
Fines	9 278	14 244	22 739	7 965	30 875	30 875	31 858	32 798	33 753
Licences and permits	1 786	1 968	1 958	2 229	2 229	2 229	2 100	2 408	2 849
Agency services	1 912	2 025	2 395	2 480	2 480	2 480	2 970	3 287	3 594
Transfers recognised - operational	39 005	41 680	67 835	58 407	61 289	61 289	92 324	107 888	97 173
Other revenue	17 375	68 978	10 504	21 717	18 933	16 933	16 643	18 150	19 812
Gains on disposal of PPS	1 920	—	—	—	—	—	—	—	—
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>597 482</b>	<b>703 871</b>	<b>796 378</b>	<b>784 474</b>	<b>810 351</b>	<b>810 351</b>	<b>893 935</b>	<b>971 222</b>	<b>1 028 929</b>





Table 3 Percentage growth in revenue by main revenue source

Description R thousand	Current Year 2014/15	2015/16 Medium Term Revenue & Expenditure Framework					
		Budget Year 2015/16		Budget Year +1 2016/17		Budget Year +2 2017/18	
Revenue By Source							
Property rates	153 509	162 730	6.01%	173 308	6.50%	184 573	6.50%
Property rates - penalties & collection charges	1 050	891	-15.14%	980	10.00%	1 078	10.00%
Service charges - electricity revenue	310 085	338 877	9.29%	371 635	9.67%	407 747	9.72%
Service charges - water revenue	95 897	102 045	6.41%	107 700	5.54%	113 691	5.56%
Service charges - sanitation revenue	63 455	66 375	4.60%	70 081	5.58%	74 010	5.81%
Service charges - refuse revenue	56 130	59 488	5.98%	63 061	6.01%	66 849	6.01%
Rental of facilities and equipment	7 966	11 859	48.86%	12 953	9.23%	14 176	9.44%
Interest earned - external investments	6 166	6 348	2.94%	6 348	0.00%	6 348	0.00%
Interest earned - outstanding debtors	2 288	2 437	6.49%	2 680	10.00%	2 948	10.00%
Fines	30 875	31 859	3.19%	32 766	2.84%	33 763	3.04%
Licences and permits	2 229	2 130	-1.77%	2 408	10.00%	2 649	10.00%
Agency services	2 480	2 970	19.78%	3 267	10.00%	3 594	10.00%
Transfers recognised - operational	61 289	90 324	47.37%	107 885	19.44%	97 173	-9.93%
Other revenue	16 933	16 643	-1.71%	18 150	9.05%	19 812	9.16%
Total Revenue (excluding capital transfers and contributions)	810 351	895 035	10.45%	973 222	8.74%	1 028 409	5.67%

In line with the formats prescribed by the Municipal Budget and Reporting Regulations, capital transfers and contributions are excluded from the operating statement, as inclusion of these revenue sources would distort the calculation of the operating surplus/deficit.

Revenue generated from rates and services charges forms a significant percentage of the revenue basket for the Municipality. An increase in revenue of 6 per cent represents the tariff increase for rates, water, sanitation and refuses revenue. Rates and service charge revenues comprise 84% of the total operating revenue mix. In the 2014/2015 financial year, revenue from rates and services charges totalled R690m. This increases to R745m, R802m and R865m in the respective financial years of the MTREF. The growth above 6 per cent can mainly be attributed to the increased share that the sale of electricity contributes to the total revenue mix, which in turn is due to rapid increases in the Eskom tariffs for bulk electricity, above anticipated inflation growth and operational grants. The above table includes revenue foregone arising from discounts and rebates associated with the tariff policies of the Municipality. Details in this regard are contained in Table 61 MBRR SA1 (see page 94).

After service charges, property rates is the second largest revenue source. The third largest source is operational grants from national and provincial government, which has shown growth over the MTREF, followed by fines and 'other revenue' which consists of various items such as income received from permits and licenses, building plan fees, connection fees, advertisement fees etc. Departments delivering these services have been urged to review the tariffs of these items on an annual basis to ensure they are cost reflective and market related. Some revenue categories indicate distorted trends between 2014/15 and 2015/16 as indicated by rentals, licenses and other revenue. This is mainly due to reclassification of revenue categories in line with mSCOA.

Operating grants and transfers total R90,3 million in the 2015/16 financial year. This increases to R107,9m in 2016/17 and decreases to R97,1m in 2017/18 of the MTREF. Equitable share increases substantially over the MTREF (53%) in terms of the equitable share formula after the release of the 2011 census figures, as a result of the population growth in the Overstrand area. The increase in the housing allocation is due to the building of top structures for housing development (R53,6m) anticipated over the MTREF. The following table gives a breakdown of the various operating grants and subsidies allocated to the municipality over the medium term:





Table 4 Operating Transfers and Grant Receipts

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year	Budget Year +1	Budget Year +2
<b>RECEIPTS:</b>									
<b>Operating Transfers and Grants</b>									
<b>National Government:</b>	33 973	38 998	45 033	54 673	56 511	56 511	67 709	74 702	82 187
Local Government Equitable Share	31 158	36 148	41 949	52 021	52 021	52 021	64 539	72 270	79 504
Finance Management	1 250	698	1 300	884	1 450	1 450	1 450	1 475	1 550
Municipal Systems Improvement	790	780	540	-	-	-	-	957	1 033
EPWP Incentive	777	1 332	1 244	1 768	1 768	1 768	1 661	-	-
Municipal Disaster Recovery Grant	-	-	-	-	1 272	1 272	-	-	-
<b>Provincial Government:</b>	10 697	2 703	23 332	3 734	4 174	4 174	22 615	33 184	14 986
Housing	9 914	1 659	18 689	183	91	91	17 141	27 480	8 876
Emergency Housing Programme (EHP)	-	-	-	220	220	220	-	-	-
Provincial Library Grant	640	691	795	3 182	3 182	3 182	5 288	5 557	5 690
Financial Management Support Grant	-	-	800	-	514	514	-	-	-
Community Development Worker Grant	78	70	49	52	70	70	72	75	80
Main Road Subsidy	85	85	2 651	97	97	97	114	-	-
Sport & Recreation Grant	-	-	-	-	-	-	-	-	-
Nelson Mandela commemoration Grant	-	-	100	-	-	-	-	-	-
Greenest Municipality	-	-	50	-	-	-	-	-	-
<b>Other grant providers:</b>	270	652	586	-	185	185	-	-	-
Prov Govt. ICT Projects for Libraries	-	-	27	-	-	-	-	-	-
Table Mountain Fund	-	-	240	-	-	-	-	-	-
Samraas Usergroup	-	22	-	-	-	-	-	-	-
Friedrich Naumann Foundation	-	-	319	-	185	185	-	-	-
Spaces 4 Sport	270	630	-	-	-	-	-	-	-
<b>Total Operating Transfers and Grants</b>	<b>44 940</b>	<b>42 311</b>	<b>68 951</b>	<b>58 407</b>	<b>60 870</b>	<b>60 870</b>	<b>90 324</b>	<b>107 886</b>	<b>97 173</b>

Tariff-setting is a pivotal and strategic part of the compilation of any budget. When rates, tariffs and other charges were revised, local economic conditions, input costs and the affordability of services were taken into account to ensure the financial sustainability of the Municipality.

National Treasury continues to encourage municipalities to keep increases in rates, tariffs and other charges as low as possible. Municipalities must justify in their budget documentation all increases in excess of the 6 per cent upper boundary of the South African Reserve Bank's inflation target. Excessive increases are likely to be counterproductive, resulting in possible higher levels of non-payment.

The increase in property rates has been limited to only 6,85% notwithstanding the lagging of rates increases below inflation over previous years before 2014/15. Furthermore, increases in service charges have been kept at average inflation, with the electricity consumption tariff equal to the NERSA approval of Eskom tariffs. This contributes to the eroding of surpluses on services due to higher than inflation input costs. Notwithstanding that surpluses on services have traditionally subsidised community services, the decrease in these surpluses can also be viewed positively as this decreases the level of cross subsidisation. See the table below.

The percentage increases of Eskom bulk tariffs are beyond the mentioned inflation target. Given that these tariff increases are determined by external agencies, the impact they have on the municipality's electricity tariffs are largely outside the control of the Municipality. Discounting the impact of these price increases in lower consumer tariffs can erode the Municipality's future financial position and viability, balanced with tariff affordability.



The following table sets out the costing of services.

Table 5 Costing of services

COSTING OF SERVICES	Amended Budget 2014/2015	Original Budget 2015/2016	
<b>Service : 1200 ELECTRICITY</b>			
** SALARIES, WAGES & ALLOWANCES	16 006 002		
** GENERAL EXPENSES	213 576 651		
** REPAIRS & MAINTENANCE	4 560 080		
** CAPITAL CHARGES	38 213 645		
Bulk Purchases		193 573 082	
Contracted Services		2 531 636	
Depreciation and Amortisation		22 144 494	
Employee Related Cost		19 049 774	
Interest Dividends and Rent on Land		15 927 856	
Inventory		3 644 998	
Operational Cost		406 200	
Costing: overheads (dept charges)		43 951 492	
<b>TOTAL EXPENDITURE</b>	<b>272 360 578</b>	<b>301 229 632</b>	<b>10.60%</b>
<b>TOTAL INCOME</b>	<b>-310 086 306</b>	<b>-338 360 730</b>	<b>9.12%</b>
<b>(SURPLUS)/DEFICIT</b>	<b>-37 724 728</b>	<b>-37 131 198</b>	
	<b>13.86%</b>	<b>12.33%</b>	
<b>Service : 1300 WATER</b>			
** SALARIES, WAGES & ALLOWANCES	16 672 866		
** GENERAL EXPENSES	28 603 656		
** REPAIRS & MAINTENANCE	9 909 706		
** CAPITAL CHARGES	37 871 229		
** EMPLOYEE RELATED COST		17 129 257	
** OPERATIONAL COST		203 765	
** BULK PURCHASES		3 263 296	
** CONTRACTED SERVICES		7 968 743	
** INTEREST DIVIDEND RENT ON LAND		18 022 914	
** DEPRECIATION AND AMORTISATION		18 968 693	
** INVENTORY		12 696 587	
Costing: overheads (dept charges)		16 584 152	
<b>TOTAL EXPENDITURE</b>	<b>93 067 467</b>	<b>94 817 407</b>	<b>1.88%</b>
<b>TOTAL INCOME</b>	<b>-86 871 828</b>	<b>-102 644 773</b>	<b>5.96%</b>
<b>(SURPLUS)/DEFICIT</b>	<b>-3 814 371</b>	<b>-7 827 366</b>	
	<b>4.10%</b>	<b>8.26%</b>	
<b>Service : 1400 WASTE WATER MANAGEMENT</b>			
** SALARIES, WAGES & ALLOWANCES	18 433 913		
** GENERAL EXPENSES	9 734 044		
** REPAIRS & MAINTENANCE	8 439 446		
** CAPITAL CHARGES	24 486 603		
Bulk Purchases		720 915	
Contracted Services		6 492 674	
Depreciation and Amortisation		17 060 567	
Employee Related Cost		17 530 796	
Interest Dividends and Rent on Land		7 783 445	
Inventory		4 729 979	
Operational Cost		255 724	
Costing: overheads (dept charges)		9 650 956	
<b>TOTAL EXPENDITURE</b>	<b>61 094 000</b>	<b>64 226 066</b>	<b>5.12%</b>
<b>TOTAL INCOME</b>	<b>-63 324 796</b>	<b>-66 926 990</b>	<b>5.69%</b>
<b>(SURPLUS)/DEFICIT</b>	<b>-2 230 796</b>	<b>-2 700 934</b>	
	<b>3.65%</b>	<b>4.21%</b>	
<b>Service : 1500 WASTE MANAGEMENT</b>			
** SALARIES, WAGES & ALLOWANCES	20 315 438		
** GENERAL EXPENSES	25 859 582		
** REPAIRS & MAINTENANCE	1 789 307		
** CAPITAL CHARGES	5 524 816		
** CONTRIBUTION TO PROVISIONS	3 000 000		
** EMPLOYEE RELATED COST		21 432 276	
** OPERATIONAL COST		4 821 959	
** CONTRACTED SERVICES		18 432 173	
** INTEREST DIVIDEND RENT ON LAND		1 761 952	
** DEPRECIATION AND AMORTISATION		5 159 240	
** INVENTORY		2 666 294	
Costing: overheads (dept charges)		8 545 653	
<b>TOTAL EXPENDITURE</b>	<b>56 483 141</b>	<b>62 809 647</b>	<b>11.19%</b>
<b>TOTAL INCOME</b>	<b>-56 130 000</b>	<b>-59 544 160</b>	<b>6.08%</b>
<b>(SURPLUS)/DEFICIT</b>	<b>359 141</b>	<b>3 265 387</b>	
	<b>-0.64%</b>	<b>-5.20%</b>	

**Notes:**

1. Disparity of expenditure categories from implementation of mSCOA.
2. Increased refuse expenditure resulting from new waste disposal infrastructure
3. Secondary costs indicated in line with previous allocations + 5%
4. The waste management deficit addressed in para. 1.4.5



It must also be noted that the consumer price index, as measured by CPI, is not a good indicator of the cost increases of goods and services relevant to municipalities. The basket of goods and services utilised for the calculation of the CPI consist of items such as food, accommodation, petrol and medical services, whereas the cost drivers of a municipality are informed by items such as the cost of remuneration, bulk purchases of electricity, chemicals, etc. The current challenge facing the Municipality is managing the gap between cost drivers and tariffs levied, as any shortfall must be made up by either operational efficiency gains or service level reductions. Within this framework the Municipality has undertaken the tariff setting process relating to service charges as follows.

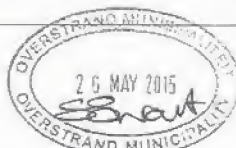
#### 1.4.1 Property Rates

Property rates cover the cost of the provision of general community and support services. Determining the effective property rates tariff is therefore an integral part of the municipality's budgeting process.

National Treasury's MFMA Circular No. 51 deals, inter alia with the implementation of the Municipal Property Rates Act, with the regulations issued by the Department of Co-operative Governance. These regulations came into effect on 1 July 2009 and also prescribe the rate ratio for the non-residential categories, public service infrastructure and agricultural properties relative to residential properties.

The following stipulations in the Property Rates Policy are highlighted:

TARIFF CODE	CLASS TAX	TYPE OF PROPERTY	REBATE OR EXEMPTIONS
BUS	General Tax: Commercial	All business, industries, Bed and Breakfast and Guest Houses	No exemptions. Bed and Breakfast as well as Guesthouses can apply before 30 June for the following rebate on the <u>difference between Bus and Res. rate</u> : 1 -2 X lettable room: 100% 3 X lettable rooms: 75% 4 X lettable rooms: 50% 5 X lettable rooms: 25%
BUSO	General Tax: Tourism and recreational resorts outside the municipal urban areas	Hotels, Guest Houses, Cottages, Caravan parks and Holiday Resorts, Chalets	50% rebate on the tax applicable on commercial property in urban areas.
RES	General Tax: Residential properties within the municipal service areas	Single residential properties, Group housing, Retirement Villages, Flats, Sectional Schemes, small holdings not used for bona fide farming purposes	The first R15 000.00 of the rateable value of all residential properties is exempted from property tax. A further R35 000.00 of the rateable value is exempted in respect of all residential properties where a residential completion certificate has been issued and an additional rebate of 20% of the levy calculated on such properties, is granted. Rebate to qualifying property owners as indicated under "Other Rebate"
RESO	General Tax: Residential properties outside the municipal urban area	Single residential properties, Group housing, Retirement Villages, Flats, Sectional Schemes	50% of the tax applicable on residential property in urban areas. Rebate to qualifying property owners as indicated under "Other Rebate"





FARMS	General Tax: Farming Properties	Smallholdings used for bona fide farming purposes outside municipal service area	Agricultural purpose in relation to the use of a property, excludes the use of a property for the purpose of ecotourism or for the trading in or hunting of game.
FARMS	Conservation land	Privately owned properties whether designated or used for conservation purposes.	Not rateable in terms of section 17(1)(e) of the act.
PR100 PR050 PR040	Other Rebates	Single residential properties, Group Housing, Retirement Villages, Flats, Sectional Schemes	<ul style="list-style-type: none"> <li>- Property must be occupied permanently;</li> <li>- The applicant must be the registered owner;</li> <li>- Only one residential unit allowed on the property</li> <li>- Applicant may not be the registered owner of more than one property</li> </ul> <ul style="list-style-type: none"> <li>• A rebate of 100% to approved applicants, in terms of the <b>Property Rates</b> Policy, who's gross monthly household income may not exceed the amount of two times (2X) of state funded social pensions per month;</li> <li>• A rebate of 50% to approved applicants, in terms of the <b>Property Rates</b> Policy, who are older than 60 with a gross monthly household income less than four times (4X) of state funded social pensions per month;</li> <li>• A rebate of 40% to approved applicants, in terms of the <b>Property Rates</b>, who are older than 60 with a gross monthly household income of more than four times (4X) but less than eight times (8X) of state funded social pensions per month.</li> </ul>

The following table sets out the categories of rateable properties for purposes of levying rates and the proposed rates for the 2015/16 financial year, to increase from 1 July 2015.

**Table 6 Comparison of proposed rates to be levied for the 2015/16 financial year**

RATES TARIFFS 2015/2016					
Tariff Code	Detail	2015/2016		2014/2015	
		Exclude VAT	Include VAT	Exclude VAT	Include VAT
RATES	YEAR OF GENERAL VALUATION: 32 JULY 2011				
RATE1*	Commercial Land with Improvements	0.00670	0.00670	0.00627	0.00627
RATE2*	Residential Land with Improvements	0.00442	0.00442	0.00414	0.00414
	* See attached schedule of Exemptions and Rebates applicable				
RATE3	Municipal Properties: Investment Properties	Applicable tariff for Commercial or Residential	Applicable tariff for Commercial or Residential	Applicable tariff for Commercial or Residential	Applicable tariff for Commercial or Residential
RATE4	Municipal Properties: Property, Plant and Equipment	0.00000	0.00000	0.00000	0.00000
RATE5	Improvement District Surcharge (HPP) on total rates payable on approved Improvement District	0.10000	0.10000	0.10000	0.10000
RATE6	Building Clause	Equals to tariff for rates on property	Equals to tariff for rates on property	Equals to tariff for rates on property	Equals to tariff for rates on property
RATE7	Farm/Agriculture (Bona-fide)	0.00111	0.00111	0.00104	0.00104
RATE8	Undeveloped erven	0.00666	0.00666	0.00666	0.00666
RATE9	Government Properties: Commercial	0.00670	0.00670	0.00627	0.00627
RATE10	Government Properties: Residential	0.00442	0.00442	0.00414	0.00414
PLEASE NOTE: VAT IS LEVIED AT A RATE OF 0% ON ASSESSMENT RATES					

#### 1.4.2 Sale of Water and Impact of Tariff Increases

South Africa faces similar challenges with regard to water supply as it does with electricity, since demand growth outstrips supply. Consequently, National Treasury is encouraging all municipalities to carefully review the level and structure of their water tariffs to ensure:



- Water tariffs are fully cost-reflective – including the cost of maintenance and renewal of purification plants, water networks and the cost associated with reticulation expansion;
- Water tariffs are structured to protect basic levels of service and ensure the provision of free water to the poorest of the poor (indigent); and
- Water tariffs are designed to encourage efficient and sustainable consumption.

In addition National Treasury has urged all municipalities to ensure that water tariff structures are cost reflective by 2014.

Better maintenance of infrastructure and cost-reflective tariffs will ensure that the supply challenges are managed in future to ensure sustainability.

Tariff increases as from 1 July 2015 are indicated in the list of tariffs in Annexure C. The 6 kℓ free water per 30-day period has since 2014 only been granted to registered indigents. The second level of phasing in the increases in the 0 – 6 kℓ category as implemented during 2013/14, to recover minimum cost of the production of water, further postponed in 2014/15, has now been implemented. This is the reason for the higher than 6% increase in this category of the tariffs.

A summary of the proposed tariffs for households (residential) are as follows:

**Table 7 Comparison between current water charges and increases (Domestic)**

Tariff Code	Detail	2015/2016		2014/2015		
		Exclude VAT	Include VAT	Exclude VAT	Include VAT	
<b>W1B</b>	<b>CONSUMPTION - HOUSEHOLDS</b>					
	<b>Normal Tariff</b>					
W1B1	0 - 6 kℓ per kℓ	3.62	4.13	3.25	3.71	11.50%
W1B2	7 - 18 kℓ per kℓ	9.12	10.39	8.60	9.80	6.00%
W1B3	19 - 30 kℓ per kℓ	14.79	16.86	13.95	15.90	6.00%
W1B4	31 - 45 kℓ per kℓ	22.76	25.85	21.48	24.48	6.00%
W1B5	46 - 60 kℓ per kℓ	29.57	33.71	27.90	31.81	6.00%
W1B6	>60kℓ per kℓ	39.43	44.95	37.20	42.40	6.00%

#### 1.4.3 Sale of Electricity and Impact of Tariff Increases

NERSA announced a revised bulk electricity pricing structure for Eskom during 2013/14 for a three year period. A 14.24 per cent increase in the Eskom bulk electricity tariffs to municipalities will become effective from 1 July 2015. The National Treasury guideline tariff increase to municipalities is 12.2 per cent. During his budget speech on 25 February 2015, the Minister of Finance announced that the electricity levy will be increased by 2 cents per kWh. A special municipal circular will be issued in due course to guide municipalities on the implementation of the 2 cents per kWh electricity levy.

Since the approval of the above increase by NERSA, Eskom launched an application for further increases up to 25.3 per cent. In terms of legislation, the Minister of Finance postponed the finalisation of the further tariff increase application by NERSA until 15 May 2015. This timeframe was set to allow municipalities to still be able to finalise their budget by the end of May. On 13 May 2015 NERSA issued a press statement setting the timeframes for the finalisation of the application on 29 June 2015. National Treasury has not issued any further guidance on the matter. As this puts the municipality at risk for the finalisation of the budget, the original increases have been factored into the budget.

Considering the Eskom increases, the overall tariffs will increase between 9.74 per cent and 12.2 per cent. The basic charge increases by 6 per cent and consumption by 12.2 per cent. Furthermore, it should be noted that given the magnitude of the tariff increase, it is expected to depress growth in electricity consumption, which will have a negative impact on the municipality's revenue from electricity.





The time-of-use tariff has been restructured to a single tariff per category for the full 12 month period in the daily Off-peak, Standard and Peak categories. This is aimed at equalising the revenue flow for the municipality during the financial year and for large consumers to contend with only a single set of tariffs for their own planning. This should enhance financial planning for both the municipality and large consumers. Large consumers also thus have the opportunity to down size on their Notified Maximum Demand.

Registered indigents will again be granted 50 kWh per 30-day period free of charge.

The following table shows the impact of the proposed increases in electricity tariffs for domestic customers:

**Table 8 Comparison between current electricity charges and increases (Domestic)**

Tariff Code	Detail	2015/2015		2014/2015			
		Exclude VAT	Include VAT	Exclude VAT	Include VAT		
E1A	Two-Part Tariff: Credit meters up to 60 Amp (13.8 kVA BDMD) (Including Resorts)						
E1A1	Basic Monthly charge per meter	R	216.83	247.19	204.56	233.20	6.00%
	kWh Unit cost						
E1A2	IBT BLOCK 1 0 - 350 kWh	c	107.67	122.74	95.96	109.39	12.20%
E1A3	IBT BLOCK 2 351 - 600 kWh	c	145.88	166.30	130.02	148.22	12.20%
E1A4	IBT BLOCK 3 > 600 kWh	c	175.82	200.43	156.70	178.64	12.20%
E1B	Two-Part Tariff: Pre-Paid up to 60 Amp (13.8 kVA BDMD) (Including Resorts)						
E1B1	Basic Monthly charge per meter	R	216.83	247.19	204.56	233.20	6.00%
	kWh Unit cost						
E1B2	IBT BLOCK 1 0 - 350 kWh	c	99.45	113.38	88.64	101.05	12.20%
E1B3	IBT BLOCK 2 351 - 600 kWh	c	137.46	156.71	122.52	139.67	12.20%
E1B4	IBT BLOCK 3 > 600 kWh	c	169.00	192.66	150.62	171.71	12.20%

The stepped tariff for electricity as previously proposed by NERSA has continued. Tariffs have increased across all blocks at the same rate. The municipality will maintain the current stepped structure for the electricity tariffs. The reduced tariffs for prepaid meters will continue as in the past.

The challenge regarding the previous inadequate electricity bulk capacity in the Hermanus area and the impact on service delivery and development has been alleviated with the commissioning of the new 66 KVA sub-station.

The proposed capital budget for the Electricity Division will primarily be utilised for certain committed upgrade projects and to strengthen critical infrastructure (e.g. substations without back-up supply) and limited upgrading of networks.

Owing to the high increases in Eskom's bulk tariffs, it is clearly not possible to fund further necessary upgrades through increases in the municipal electricity tariff – as the resultant tariff increases would be unaffordable for the consumers. The taking up of loans as a strategy for the funding of infrastructure is considered to spread the burden over the life span of the assets. As part of the 2015/16 medium-term capital programme, funding has been allocated to electricity infrastructure.

The full proposed tariffs are included in Annexure C.

#### 1.4.4 Sanitation and Impact of Tariff Increases

A tariff increase of 6 per cent for sanitation (consumption) and 6 per cent for basic charges is proposed from 1 July 2015. This is based on tariff increases related to inflation increases as mentioned earlier in this report. It should be noted that electricity costs contributes towards waste water treatment input costs and therefore the limited increase in expenditure will have to be made up from operational efficiencies.

The following factors inform the proposed tariffs:



- Sanitation charges are calculated according to the percentage water discharged as indicated in the table below;
- Free sanitation (4,2 kℓ of 6 kℓ water) will be applicable to registered indigents; and

The following table compares the current and proposed tariffs:

**Table 9 Comparison between current sanitation charges and increases (Domestic)**

Tariff Code	Detail	2015/2016		2014/2015		
		Exclude VAT	Include VAT	Exclude VAT	Include VAT	
SE7A	SEWERAGE - SINGLE AND INTERMEDIATE RESIDENTIAL (Dwelling house and Duplex flats, Conventional Sewers, small bore sewers and conservancy tanks)					
SE7A1	0 - 35ℓ per ℓ (based on 70% of 50ℓ water usage) - per unit per month, Conservancy tank service only during office hours per month. For after hours service, refer to tariff SE9B.	10.88	12.40	10.28	11.70	6.00%
SE8	BASIC CHARGE					
SE8A	Basic Monthly Charge Developed sites per erf/unit per month	96.61	110.13	91.14	103.90	6.00%

#### 1.4.5 Waste Removal and Impact of Tariff Increases

Solid waste removal is operating marginally below breakeven. The Municipality will have to revise the solid waste strategy to ensure that this service can be rendered in a sustainable manner over the medium to long-term. The main contributors to the cost impact on this service are increased capital and operational costs for the new solid waste disposal infrastructure and general expenditure.

The re-opening of the Karwyderskraal waste disposal site in April 2015 by the Overstrand municipality, who will operate the site, has been resolved by the entering into a long term lease agreement with the District municipality for a portion of the land at Karwyderskraal to further develop cells. This will channel solid waste disposal from Hermanus and Kleinmond to this site, to improve operational efficiencies. The Theewaterskloof municipality previously disposed of solid waste at Karwyderskraal when it was operated by the District municipality. Indications are that the Theewaterskloof municipality will once again opt to utilise this service on a permanent basis. No additional revenue has been budgeted in this regard, pending service agreements. This aspect will be reviewed during the mid-year review for 2015/2016 and revenue adjustments will be considered at that stage.

An increase of 6 per cent in the waste removal tariff is proposed from 1 July 2015. Higher increases will not be viable at this stage owing to the increases implemented in the preceding financial year. The acceptability of the draft budgeted figures, after due consideration, is viewed as appropriate in context with the participation by Theewaterskloof municipality, which will grant a more realistic performance of this service later on during the 2015/16 financial year. Any further increase would also have been counter-productive and will result in affordability challenges for individual consumers.

The following table compares current and proposed amounts payable from 1 July 2015:



Table 10 Comparison between current waste removal fees and increases (Domestic)

Tariff Code	Detail	2015/2016		2014/2015		
		Exclude VAT	Include VAT	Exclude VAT	Include VAT	
SAN1	<b>REFUSE REMOVAL (1 removal per week of 4 bags or 1X240 Bin)</b>	R	R	R	R	
SAN1A	Residential (All registered erven/unit with approved building plan) 1 x removal per week (R/Month)	137.99	157.30	130.18	148.40	6.00%

All proposed refuse tariffs are listed in Annexure C.

#### 1.4.6 Overall impact of tariff increases on households

The following table shows the overall expected impact of the tariff increases on medium and small household consumers, as well as an indigent household receiving free basic services.

Note that in all instances the overall impact of the tariff increases on household's bills has been kept below 6,3 per cent and the increase for indigent households at 2,6 per cent, before the impact of the electricity increases. The electricity tariff increase raises this level to 8,44 & 10,11 per cent respectively.

##### Medium Consumption with prepaid elect meter

Valuation R2 500 000

	2014/2015	2015/2016	Amount	%
Rates	676.20	722.52	46.32	6.85
Sewer SE7A1+SE8A	270.69	287.01	16.32	6.03
Infrastructure Basic Charge Water, Electricity & Sewer	41.70	41.70	0.00	0.00
Refuse 1X Per Week	130.18	137.99	7.81	6.00
Water 25 kl	322.63	343.11	20.48	6.35
VAT	107.13	113.37	6.25	5.83
<b>SUB TOTAL</b>	<b>1 548.53</b>	<b>1 645.70</b>	<b>97.18</b>	<b>6.28</b>
Electricity Prep. 800 kWh	1 122.32	1 246.55	124.24	11.07
VAT	157.12	174.52	17.39	11.07
<b>TOTAL</b>	<b>2 827.97</b>	<b>3 068.77</b>	<b>238.81</b>	<b>8.44</b>
HPP if applicable	67.62	72.25	4.63	6.85

##### Low Consumption with prepaid elect meter

Valuation R1 000 000

	2014/2015	2015/2016	Amount	%
Rates	262.20	280.18	17.96	6.85
Sewer SE7A1+SE8A	198.87	210.85	11.98	6.02
Infrastructure Basic Charge Water, Electricity & Sewer	41.70	41.70	0.00	0.00
Refuse 1X Per Week	130.18	137.99	7.81	6.00
Water 15 kl	199.18	212.22	13.04	6.55
VAT	79.79	84.39	4.60	5.75
<b>SUB TOTAL</b>	<b>911.92</b>	<b>967.31</b>	<b>55.39</b>	<b>6.07</b>
Electricity Prep. 350 kWh	514.80	564.92	50.12	9.74
VAT	72.07	79.09	7.02	9.74
<b>TOTAL</b>	<b>1 498.79</b>	<b>1 611.32</b>	<b>112.52</b>	<b>7.51</b>
HPP if applicable	26.22	28.02	1.80	6.85

##### Life-Line Consumption (ONE PART) (Indigent)

Valuation R50 000

	2014/2015	2015/2016	Amount	%
Rates	0.00	0.00	0.00	0.00
Sewer SE7A1	14.36	15.23	0.87	6.04
Infrastructure Basic Charge Water, Electricity & Sewer	41.70	41.70	0.00	0.00
Refuse 1X Per Week	0.00	0.00	0.00	0.00
Water 8 kl	17.20	18.24	1.04	6.05
VAT	10.26	10.52	0.27	2.60
<b>SUB TOTAL</b>	<b>83.52</b>	<b>85.70</b>	<b>2.18</b>	<b>2.60</b>
Electricity Prep. 300 kWh	263.70	295.87	32.17	12.20
VAT	36.92	41.42	4.50	12.20
<b>TOTAL</b>	<b>384.14</b>	<b>422.99</b>	<b>38.85</b>	<b>10.11</b>





Table 11 MBRR Table SA14 – Household bills

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework			
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16 % Incr.	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>Monthly Account for Household - 'Middle Income Range'</b>										
<b>Rates and services charges:</b>										
Property rates	141.26	151.25	156.00	179.40	179.40	179.40	7.0%	191.69	203.19	215.38
Electricity: Basic levy	151.75	157.89	192.98	204.56	204.56	204.56	8.0%	216.83	229.84	243.63
Electricity: Consumption	953.00	1 056.28	1 126.62	1 219.00	1 219.00	1 219.00	11.0%	1 357.95	1 439.43	1 526.79
Water: Basic levy	87.72	92.98	96.49	102.28	102.28	102.28	8.0%	108.42	114.93	121.82
Water: Consumption	168.48	224.44	273.66	290.10	290.10	290.10	6.0%	308.84	332.80	352.56
Sanitation	245.92	264.67	288.62	305.94	305.94	305.94	6.0%	325.09	344.60	365.27
Refuse removal	83.33	113.16	122.81	130.18	130.18	130.18	6.0%	137.99	146.27	155.05
Other										
<b>sub-total</b>	<b>1 831.46</b>	<b>2 060.87</b>	<b>2 257.18</b>	<b>2 431.46</b>	<b>2 431.46</b>	<b>2 431.46</b>	<b>8.8%</b>	<b>2 646.61</b>	<b>2 810.84</b>	<b>2 979.50</b>
VAT on Services	236.63	267.35	294.17	312.99	312.99	312.99		344.41	365.07	386.98
<b>Total large household bill:</b>	<b>2 068.09</b>	<b>2 328.22</b>	<b>2 551.35</b>	<b>2 744.44</b>	<b>2 744.44</b>	<b>2 744.44</b>	<b>9.0%</b>	<b>2 991.02</b>	<b>3 175.92</b>	<b>3 366.47</b>
% increase/decrease		12.6%	9.6%	7.6%	-	-		9.0%	6.2%	6.0%
<b>Monthly Account for Household - 'Affordable Range'</b>										
<b>Rates and services charges:</b>										
Property rates	97.80	104.70	108.00	124.20	124.20	124.20	7.0%	132.71	140.67	149.11
Electricity: Basic levy	151.75	157.89	192.98	204.56	204.56	204.56	8.0%	216.83	229.84	243.63
Electricity: Consumption	399.00	438.62	456.59	494.01	494.01	494.01	11.0%	550.31	583.33	618.33
Water: Basic levy	87.72	92.98	96.49	102.28	102.28	102.28	6.0%	108.42	114.93	121.82
Water: Consumption	133.38	164.44	207.86	222.45	222.45	222.45	6.0%	236.54	250.73	265.78
Sanitation	231.74	234.17	254.84	270.13	270.13	270.13	6.0%	287.07	304.23	322.48
Refuse removal	83.33	113.16	122.81	130.18	130.18	130.18	6.0%	137.99	146.27	155.05
Other										
<b>sub-total</b>	<b>1 184.72</b>	<b>1 305.96</b>	<b>1 439.57</b>	<b>1 547.81</b>	<b>1 547.81</b>	<b>1 547.81</b>	<b>7.9%</b>	<b>1 669.81</b>	<b>1 770.00</b>	<b>1 876.26</b>
VAT on Services	152.17	168.18	186.42	199.01	199.01	199.01		215.19	228.11	241.79
<b>Total small household bill:</b>	<b>1 336.89</b>	<b>1 474.14</b>	<b>1 625.99</b>	<b>1 746.82</b>	<b>1 746.82</b>	<b>1 746.82</b>	<b>7.9%</b>	<b>1 885.00</b>	<b>1 998.10</b>	<b>2 117.99</b>
% increase/decrease		10.3%	10.3%	7.4%	-	-		7.9%	6.0%	6.0%
<b>Monthly Account for Household - 'Indigent' Household receiving free basic services</b>										
<b>Rates and services charges:</b>										
Property rates	54.33	58.16	60.00	69.00	69.00	69.00	7.0%	73.73	78.15	82.84
Electricity: Basic levy	151.75	157.89	192.98	204.56	204.56	204.56	8.0%	216.83	229.84	243.63
Electricity: Consumption	252.00	278.39	286.75	310.24	310.24	310.24	11.0%	345.59	368.33	388.30
Water: Basic levy	87.72	92.98	96.49	102.28	102.28	102.28	6.0%	108.42	114.93	121.82
Water: Consumption	98.28	104.44	123.67	131.10	131.10	131.10	6.0%	139.02	149.64	158.62
Sanitation	204.15	203.48	221.07	234.33	234.33	234.33	8.0%	248.93	263.87	279.70
Refuse removal	83.33	113.16	122.81	130.18	130.18	130.18	6.0%	137.99	146.27	155.05
Other	(468.47)	(521.33)	(598.16)	(635.06)	(635.06)	(635.06)	7.0%	(676.64)	(717.24)	(780.27)
<b>sub-total</b>	<b>463.09</b>	<b>487.17</b>	<b>505.61</b>	<b>546.63</b>	<b>546.63</b>	<b>546.63</b>	<b>8.6%</b>	<b>593.87</b>	<b>631.78</b>	<b>669.69</b>
VAT on Services	57.23	60.06	64.96	69.60	69.60	69.60		73.12	77.51	82.16
<b>Total small household bill:</b>	<b>520.32</b>	<b>547.23</b>	<b>570.57</b>	<b>616.23</b>	<b>616.23</b>	<b>616.23</b>	<b>8.2%</b>	<b>666.99</b>	<b>709.29</b>	<b>751.85</b>
% increase/decrease		5.2%	4.3%	8.0%	-	-		8.2%	6.3%	6.0%

1. Use as basis property value of R700 000, 1 000 kWh electricity and 30kl water

2. Use as basis property value of R500 000 and R700 000, 500 kWh electricity and 25kl water

3. Use as basis property value of R 300 000, 350kWh electricity and 20kl water (50 kWh electricity and 0 kl water free)



## 1.5 Operating Expenditure Framework

The Municipality's expenditure framework for the 2015/16 budget and MTREF is informed by the following:

- Balanced budget constraint (cash operating expenditure should not exceed cash operating revenue) unless there are existing uncommitted cash-backed reserves to fund any deficit;
- The repairs and maintenance plan relating to the asset management strategy;
- Funding of the budget over the MTREF as informed by Section 18 and 19 of the MFMA;
- Limiting growth in the personnel structure;
- Reducing expenditure on non-core programmes;
- Implementing operational gains and efficiencies; and
- Strict adherences to the principle of *no project plan no budget*. If there is no business plan no funding allocation will be made.

The following table is a high level summary of the 2015/16 budget and MTREF (classified per main type of operating expenditure):

**Table 12 Summary of operating expenditure by standard classification item**

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year	Budget Year +1	Budget Year +2
<b>Expenditure By Type</b>									
Employee related costs	207 938	231 642	260 645	280 066	276 217	276 217	291 593	305 408	323 583
Remuneration of councillors	6 717	7 084	7 933	8 515	8 516	8 516	8 674	9 192	9 741
Debt Impairment	28	6 688	12 526		22 792	22 792	22 792	22 792	22 792
Depreciation & asset impairment	104 041	104 408	99 361	109 265	105 461	105 461	111 362	118 043	125 126
Finance charges	31 727	37 331	39 927	45 162	44 480	44 480	46 895	48 780	47 279
Bulk purchases	126 869	145 022	157 055	169 444	169 444	169 444	193 573	221 138	252 628
Other materials	54 582	12 441	13 595	17 295	17 315	17 315	57 801	69 631	53 593
Contracted services	24 079	67 697	72 754	81 062	82 467	82 467	125 322	128 122	135 442
Transfers and grants	28 454	35 856	38 749	41 370	41 668	41 668	48 497	54 667	62 244
Other expenditure	158 290	102 146	117 460	117 407	164 963	164 963	58 021	61 721	65 866
Loss on disposal of PPE		1 756	12 017						
<b>Total Expenditure</b>	<b>742 525</b>	<b>752 070</b>	<b>832 022</b>	<b>869 588</b>	<b>933 322</b>	<b>933 322</b>	<b>964 529</b>	<b>1 037 493</b>	<b>1 098 292</b>

The budgeted allocation for employee related costs for the 2015/16 financial year totals R291,6m which equals 30,2 per cent of the total operating expenditure and within the NT norm of 25 – 40 per cent. The current three year collective SALGBC agreement comes to an end in 2014/2015. The parties to the bargaining council are currently still in negotiations on salary increases for 2015/2016. Salary increases (inclusive of annual notch increases) have been factored into the budget at a percentage increase of 6,1 per cent for the 2015/16 financial year as well as the two outer years of the MTREF, based on average inflation for 2014.

As part of the Municipality's cost reprioritisation and cash management strategy vacancies have been significantly rationalised downwards. A total of twenty three posts were abolished from the organisational structure. The Protection Services directorate has been restructured whereby a shift system has been introduced resulting in substantial savings on overtime and standby allowances. The outsourcing of the water and waste water treatment plants, in respect of operational efficiencies, are currently being considered.





With effect from 1 July 2010, the Municipal Manager and Section 57 Employees (Directors) remuneration is determined by an independent consulting firm, Messrs. Work Dynamics (Pty) Ltd, appointed by the Employer to determine market related cost-to-employer remuneration packages. The afore-mentioned employees receive no bonuses, which principle was negotiated with them. The recommendation of Messrs. Work Dynamics (Pty) Ltd, although they are a private company, does compare the salaries of people with similar job descriptions, whether it be the private or government sector. The remuneration model developed by them for senior managers in the local government sector has been adjusted to reflect the remuneration trends in the labour market. This determination will be completed at a later stage for the 2015/2016 budget. For budgeting purposes, the same increase of 6,1 per cent, as for other employees has been factored into the budget.

New regulations have been promulgated, which regulations provide for the Minister of Co-operative Governance to determine the total remuneration packages payable to any new employees to the posts of Municipal Manager and Section 57 Employees (Directors), with effect from 1 July 2014. Existing contracts however continue until they lapse.

The cost associated with the remuneration of councillors is determined by the Minister of Co-operative Governance and Traditional Affairs in accordance with the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998). The proclamation with regard to the 2014/2015 increases was published recently. For budgeting purposes, the same increase of 6,1 per cent, as for other employees has been factored into the budget.

The provision of debt impairment was determined based on an annual collection rate of close to 100 per cent and the Debt Write-off Policy of the Municipality. For the 2015/16 financial year this amount equates to a zero provision as the current provision is set to decrease slightly over the medium term. Impairment for traffic fines, resulting from the implementation of IGRAP1, has been budgeted according to the trends from the 2013/2014 financial year.

Provision for depreciation and asset impairment has been informed by the Municipality's Asset Management Policy. Depreciation is widely considered a proxy for the measurement of the rate of asset consumption. Budget appropriations in this regard total R111,4m for the 2015/16 financial year and equates to 11,39 per cent of the total operating expenditure. Note that the implementation of GRAP 17 accounting standard has meant bringing a range of assets previously not included in the assets register onto the register. This resulted in a significant increase in depreciation relative to previous years. This aspect is further highlighted in para. 1.3 of this report.

Finance charges consist primarily of the repayment of interest on long-term borrowing (cost of capital) and limited finance leases. Finance charges make up 4,8 per cent of operating expenditure excluding annual redemption for 2015/16 and increases to R47,3m by 2017/18, down from R49,5m in the previous 2016/2017 budget. This results from the planned decrease in borrowing over the MTREF from the previous budget. As previously noted, the Municipality had reached its prudential limits for borrowing in 2012 – hence the planned borrowing to finance the capital budget does not result in finance charges increasing as a percentage of operational expenditure – rather it decreases to 4,3 per cent over the MTREF.

Bulk purchases are directly informed by the purchase of electricity from Eskom. The annual price increases of the already approved tariffs of 14,24 per cent have been factored into the budget appropriations and directly inform the revenue provisions. The expenditures account for distribution losses.

Other materials, now classified as Inventory in mSCOA, comprise amongst others the purchase of materials for maintenance, cleaning materials, fuel, printing and stationary, etc. In line with the Municipality's repairs and maintenance plan this group of expenditure has been prioritised to ensure sustainability of the Municipality's infrastructure. The introduction and reclassification resulting from mSCOA has caused a shift in expenditure previously classified and budgeted under general expenses.



Contracted services have been identified as a cost saving area for the Municipality. As part of the compilation of the 2015/16 MTREF this group of expenditure was critically evaluated and operational efficiencies were enforced. In the 2015/16 financial year, this group of expenditure totals R127m. The introduction and reclassification resulting from mSCOA has caused a shift in expenditure previously classified and budgeted under general expenses. Further details relating to contracted services can be seen in Table 61 MBRR SA1 (see page 94).

Other expenditure, now classified as Operational Costs in mSCOA, comprises of various line items relating to the daily operations of the municipality. The introduction and reclassification resulting from mSCOA has caused a shift in expenditure previously classified and budgeted under general expenses to Inventory (materials) and contracted services. This group of expenditure has also been identified as an area in which cost savings and efficiencies can be achieved. Further details relating to other expenditure can be seen in Table 61 MBRR SA1 (see page 94).

The following table gives a breakdown of the main expenditure categories for the 2015/16 financial year.



Figure 1 Main operational expenditure categories for the 2015/16 financial year

#### 1.5.1 Priority given to repairs and maintenance

Aligned to the priority being given to preserving and maintaining the Municipality's current infrastructure, the 2015/16 budget and MTREF provide for growth in the area of asset maintenance, as informed by the asset maintenance strategy and repairs and maintenance plan of the Municipality. In terms of the Municipal Budget and Reporting Regulations, operational repairs and maintenance is not considered a direct expenditure driver but an outcome of certain other expenditures, such as remuneration, purchases of materials and contracted services. Considering these cost drivers, the following table is a consolidation of all the expenditures associated with repairs and maintenance:

Table 13 Operational repairs and maintenance

WC032 Overstrand - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand									
by Expenditure Item									
Employee related costs	15 563	27 460	35 905	40 285	40 285	40 285	45 175	47 787	50 845
Other materials	5 198	9 153	8 365	8 807	8 807	8 807	14 541	15 638	16 361
Contracted Services	12 320	21 740	32 075	34 161	34 161	34 161	35 194	37 739	39 865
Other Expenditure	31 774	56 051	72 912	79 016	79 016	79 016	28 167	25 650	43 864
<b>Total Repairs and Maintenance Expenditure</b>	<b>64 855</b>	<b>114 414</b>	<b>150 958</b>	<b>162 268</b>	<b>162 268</b>	<b>162 268</b>	<b>121 077</b>	<b>126 814</b>	<b>130 794</b>





During the compilation of the 2015/16 MTREF operational repairs and maintenance was identified as a strategic imperative owing to the aging of the Municipality's infrastructure. As part of the 2015/16 MTREF this strategic imperative remains a priority as can be seen by the budget appropriations over the MTREF. In relation to the total operating expenditure, repairs and maintenance comprises on average 12,8 per cent of the budget over the respective financial years of the MTREF.

The table below provides a breakdown of the repairs and maintenance in relation to asset classes:

**Table 14 Repairs and maintenance per asset class**

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>Repairs and maintenance expenditure by Asset Class/Sub-class</b>									
<b>Infrastructure</b>	<b>43 120</b>	<b>87 048</b>	<b>129 145</b>	<b>136 752</b>	<b>136 752</b>	<b>136 752</b>	<b>111 448</b>	<b>117 865</b>	<b>133 341</b>
Infrastructure - Road transport	25 843	42 236	63 749	68 540	68 540	68 540	57 080	60 842	64 540
Roads, Pavements & Bridges	25 231	39 780	60 016	62 232	62 232	62 232	51 401	54 748	58 088
Storm water	611	2 446	3 732	6 308	6 308	6 308	5 889	6 094	6 452
Infrastructure - Electricity	4 601	14 105	20 488	25 491	25 491	25 491	16 835	17 340	23 891
Generation	-	-	-	-	-	-	-	-	-
Transmission & Retention	4 601	14 105	20 488	25 491	25 491	25 491	16 835	17 340	23 891
Street Lighting	-	-	-	-	-	-	-	-	-
Infrastructure - Water	5 892	21 582	27 931	26 775	26 775	26 775	22 874	24 001	24 393
Dams & Reservoirs	52	80	-	-	-	-	-	-	-
Water purification	1 709	1 963	-	-	-	-	-	-	-
Reticulation	5 132	19 459	27 931	26 775	26 775	26 775	22 874	24 001	24 393
Infrastructure - Sanitation	4 568	7 708	15 486	14 148	14 148	14 148	12 159	12 963	16 387
Reticulation	3 687	6 623	-	-	-	-	-	-	-
Sewerage purification	882	1 085	15 486	14 148	14 148	14 148	12 159	12 963	16 387
Infrastructure - Other	1 215	1 499	1 491	1 800	1 800	1 800	2 482	2 719	4 130
Waste Management	1 215	1 499	1 491	1 800	1 800	1 800	2 482	2 719	4 130
<b>Community</b>	<b>6 012</b>	<b>5 408</b>	<b>7 349</b>	<b>9 298</b>	<b>9 298</b>	<b>9 298</b>	<b>4 546</b>	<b>4 391</b>	<b>8 211</b>
<b>Investment properties</b>	<b>270</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Other assets</b>	<b>15 443</b>	<b>21 958</b>	<b>13 864</b>	<b>16 218</b>	<b>16 218</b>	<b>16 218</b>	<b>5 081</b>	<b>4 559</b>	<b>9 203</b>
<b>Total Repairs and Maintenance Expenditure</b>	<b>64 845</b>	<b>114 414</b>	<b>150 358</b>	<b>162 268</b>	<b>162 268</b>	<b>162 268</b>	<b>121 077</b>	<b>126 814</b>	<b>150 754</b>
<b>R&amp;M as a % of PPE</b>	<b>2.1%</b>	<b>3.7%</b>	<b>4.8%</b>	<b>5.3%</b>	<b>5.2%</b>	<b>5.2%</b>	<b>3.9%</b>	<b>4.1%</b>	<b>4.9%</b>
<b>R&amp;M as % Operating Expenditure</b>	<b>8.7%</b>	<b>15.2%</b>	<b>18.1%</b>	<b>18.7%</b>	<b>17.4%</b>	<b>17.4%</b>	<b>12.4%</b>	<b>12.2%</b>	<b>13.7%</b>

For the 2015/16 financial year, 12,4 per cent or R121m of the total budget will be spent on repairs and maintenance, of which R114,5m is for infrastructure. Roads infrastructure has received a significant proportion of the infrastructure allocation totalling 51,2 per cent (R57m), followed by water at 20,5 per cent (R22,9m) and electricity at 14,7 per cent (R16,8m).

### 1.5.2 Free Basic Services: Basic Social Services Package

The social package assists households that are indigent/poor or face other circumstances that limit their ability to pay for services. To receive these free/subsidised services the households are required to register in terms of the Municipality's Indigent Policy. The current indigent households amount to approximately 6 700 and is reviewed monthly. Details relating to free services and basic service delivery measurement is contained in Table 26 MBRR A10 (Basic Service Delivery Measurement) on page 41.



The cost of the social package of the registered indigent households is fully covered by the local government equitable share received in terms of the annual Division of Revenue Act.

**Table 15 MBRR Table SA21 – Transfers and grants made by the municipality**

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>R thousand</b>									
<u>Cash Transfers to other municipalities</u> <i>Insert description</i>									
<b>Total Cash Transfers To Municipalities:</b>	-	-	-	-	-	-	-	-	-
<u>Cash Transfers to other Organs of State</u> <i>Insert description</i>									
<b>Total Cash Transfers To Other Organs Of State:</b>	-	-	-	-	-	-	-	-	-
<u>Cash Transfers to Organisations</u>									
Grant-in-aid	370	398	451	-	-	-	278	285	313
Bafisa				30	30	30			
Overstrand Association for People with Disabilities				8	8	8			
Ikamva				10	10	10			
Overstrand Conservation Foundation				25	25	25			
Hermannus Botanical Society				20	20	20			
Klamond Child Welfare				15	15	15			
Overstrand Hospice				28	28	28			
Hanglip Community Care Centre				15	15	15			
Recycle Swap Shop				10	10	10			
Siyazama Service Centre for the Aged				20	20	20			
Overberg Wheelchair Association				20	20	20			
Overstrand Arts				20	20	20			
National Sea Rescue Institute				47	47	47			
SHARE				10	10	10			
TourismBuro's							1 649	1 747	1 852
<b>Total Cash Transfers To Organisations</b>	<b>370</b>	<b>398</b>	<b>451</b>	<b>278</b>	<b>278</b>	<b>278</b>	<b>1 927</b>	<b>2 043</b>	<b>2 185</b>
<u>Cash Transfers to Groups of Individuals</u>									
<u>Low income household subsidies</u>	28 084	35 458	38 298	41 062	41 390	41 390	46 370	52 624	60 879
<b>Total Cash Transfers To Groups Of Individuals:</b>	<b>28 084</b>	<b>35 458</b>	<b>38 298</b>	<b>41 062</b>	<b>41 390</b>	<b>41 390</b>	<b>46 370</b>	<b>52 624</b>	<b>60 879</b>
<b>TOTAL CASH TRANSFERS AND GRANTS</b>	<b>28 454</b>	<b>35 856</b>	<b>38 749</b>	<b>41 370</b>	<b>41 668</b>	<b>41 668</b>	<b>48 497</b>	<b>54 667</b>	<b>62 244</b>

The policy for Grants-in-aid to organisations has been revised and approved by Council. Detailed allocations for the 2015/2016 budget will be reflected after the completion of the application and allocation process.



## 1.6 Capital expenditure

The following table provides a breakdown of budgeted capital expenditure by vote:

Table 16 2015/16 Medium-term capital budget per vote

Vote Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year	Budget Year +1	Budget Year +2
<b>R thousand</b>									
<b>Capital expenditure - Vote</b>									
<b>Multi-year expenditure to be appropriated</b>									
Vote 1 - Council	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager	-	-	-	-	-	-	-	-	-
Vote 3 - Management Services	-	-	-	-	-	-	-	-	-
Vote 4 - Finance	-	-	-	-	-	-	-	-	-
Vote 5 - Community Services	-	-	5 000	4 939	3 565	3 565	21 911	4 600	4 000
Vote 6 - Local Economic Development	-	-	-	-	-	-	-	-	-
Vote 7 - Infrastructure & Planning	-	-	-	-	-	-	11 451	3 000	3 000
Vote 8 - Protection Services	-	-	-	-	-	-	-	-	-
<b>Capital multi-year expenditure sub-total</b>	-	-	5 000	4 939	3 565	3 565	33 362	7 500	7 000
<b>Single-year expenditure to be appropriated</b>									
Vote 1 - Council	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager	-	-	-	-	-	-	-	-	-
Vote 3 - Management Services	929	1 274	1 790	2 549	2 534	2 534	2 528	-	-
Vote 4 - Finance	-	-	-	-	-	-	-	-	-
Vote 5 - Community Services	119 308	110 111	74 622	71 999	92 038	92 038	56 809	72 106	79 891
Vote 6 - Local Economic Development	-	945	-	-	-	-	-	-	-
Vote 7 - Infrastructure & Planning	42 394	31 434	49 518	18 235	19 450	19 450	10 920	15 000	17 000
Vote 8 - Protection Services	645	-	-	-	-	-	258	-	-
<b>Capital single-year expenditure sub-total</b>	163 275	143 764	125 930	92 781	114 022	114 022	70 552	87 106	96 891
<b>Total Capital Expenditure - Vote</b>	163 275	143 764	130 930	97 721	117 588	117 588	103 914	94 606	103 891

For 2015/16 an amount of R91,4m has been appropriated for the development of infrastructure which represents 88 per cent of the total capital budget of R103,9m. In the outer years this amount totals R80m, 84,5 per cent and R92,7m, 89,5 per cent respectively for each of the outer financial years. For services infrastructure, electricity infrastructure receives the highest allocation of R21,7m in 2015/16 followed by water at R16,4 million and roads at R12,1 million. Over the MTREF, capital housing grant expenditure relating to housing provision infrastructure, amounts to R109 million.

Further detail relating to asset classes and proposed capital expenditure is contained in Table 25 MBRR A9 (Asset Management) on page 39. In addition to the MBRR Table A9, MBRR Tables SA34a, b, & c provides a detailed breakdown of the capital programme relating to new asset construction, capital asset renewal as well as operational repairs and maintenance by asset class (refer to pages 84, 85 and 86). Some of the salient projects to be undertaken during 2015/2016 includes, amongst others:

Project Description	Amount
ZWELIHLE ADMIN SITE - 164 SITES	9 864 644
REPLACEMENT OF OVERSTRAND WATER PIPES	9 652 800
ELECTRIFICATION OF LOW COST HOUSING AREAS (INEP)	8 000 000
ZWELIHLE SITE C2 - 132 SITES	7 939 836
REHABILITATE ROADS AND UPGRADE STORMWATER	6 375 527
ZWELIHLE MANDELA SQUARE -83 SITES	4 685 648
REHABILITATION OF EXISTING PAVE ROAD (LIC)	4 200 000
OVERHILLS:KLEINMOND SOCCERFIELD	4 157 615
NEW 1 ML/S RESERVOIR OHW.B31	3 566 328
UPGRADING OF PUMPSTATIONS	3 547 200
MOUNT PLEASANT IRDP	3 514 600
SWARTDAMROAD IRDP	3 312 556





STANFORD - SEWER NETWORK EXTENSION	3 000 000
KLEINMOND LIBRARY UPGRADE	3 000 000
GANSBAAI: MINISUB AND MV/LV UPGRADE	2 700 000
FRANSKRAAL, KLEINBAAI & BIRKENHEAD: MV/LV AND MINISUB UPGRADE	2 600 000
UPGRADE STORMWATER - INTERNAL & EXTERNAL	2 476 500
REFURBISH BUFFELS RIVER DAM BRIDGE AND TOWER & PALMIET RIVER WEIR	2 000 000

Furthermore, pages 89 to 91 and Annexure E contains a detailed breakdown of the capital budget per project over the medium-term.

With the 2011/2012 adjustment budget, projects to be funded from the sale of land (Sandbaai commonage land), were postponed to future capital budgets dependent on the successful sale of the land. It is Council's policy not to include projects in the next budget approval until the funds from the sale has been deposited in the Council's bank account. As this money has not been received, these projects are not included in the 2015/2016 capital budget.

#### 1.6.1 Future operational cost of new infrastructure

At this point in time information is not readily available to include reliable information in Table 71 MBRR SA35 on page 88. A long term financial plan and implementation policy is in the process of being developed and implemented to encompass costs over the long term. It needs to be noted that as part of the 2015/16 MTREF, this expenditure has been factored into the two outer years of the operational budget.

### 1.7 Annual Budget Tables

The following twenty pages present the ten main budget tables as required in terms of section 8 of the Municipal Budget and Reporting Regulations. These tables set out the municipality's 2015/16 final budget and MTREF to be considered and approved and/or noted by the Council. Each table is accompanied by *explanatory notes* on the facing page.





Table 17 MBRR Table A1 - Budget Summary

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>R thousands</b>									
<b>Financial Performance</b>									
Property rates	109 838	121 571	135 633	140 690	154 559	154 559	153 621	174 388	185 651
Service charges	405 415	436 439	479 233	525 367	525 367	525 367	506 794	612 475	662 296
Investment revenue	8 885	7 535	6 352	6 166	6 166	6 166	6 348	6 348	6 348
Transfers recognised - operational	38 008	41 680	67 835	58 407	61 289	61 289	90 324	107 886	97 173
Other own revenue	37 344	96 627	47 302	44 644	62 770	62 770	67 957	72 224	76 942
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>597 482</b>	<b>703 851</b>	<b>736 076</b>	<b>784 474</b>	<b>810 351</b>	<b>810 351</b>	<b>898 035</b>	<b>973 222</b>	<b>1 028 406</b>
<b>Expenditure</b>									
Employee costs	207 938	231 642	290 645	280 065	276 217	276 217	291 593	305 408	323 583
Remuneration of councillors	6 717	7 084	7 933	8 516	8 316	8 316	8 674	9 192	9 741
Depreciation & asset impairment	104 041	104 408	99 361	109 365	105 461	105 461	111 362	118 043	125 126
Finance charges	31 727	37 331	39 927	45 162	44 480	44 480	46 895	46 780	47 279
Materials and bulk purchases	181 251	157 462	170 960	186 739	186 739	186 739	291 374	290 768	306 211
Transfers and grants	29 454	35 956	38 749	41 370	41 668	41 668	49 497	54 567	62 244
Other expenditure	162 395	179 297	214 757	199 469	270 222	270 222	206 135	212 534	224 095
<b>Total Expenditure</b>	<b>742 525</b>	<b>752 079</b>	<b>832 022</b>	<b>869 589</b>	<b>933 322</b>	<b>933 322</b>	<b>964 529</b>	<b>1 037 493</b>	<b>1 098 252</b>
<b>Surplus/(Deficit)</b>	<b>(145 043)</b>	<b>(48 129)</b>	<b>(95 946)</b>	<b>(85 115)</b>	<b>(122 971)</b>	<b>(122 971)</b>	<b>(66 494)</b>	<b>(64 271)</b>	<b>(69 846)</b>
Transfers recognised - capital	94 833	53 809	38 090	34 234	55 498	55 498	63 354	80 876	73 561
Contributions recognised - capital & contributed assets	8 603	5 289	12 542	2 134	2 051	2 051	1 000	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>(81 607)</b>	<b>(10 899)</b>	<b>(45 015)</b>	<b>(48 747)</b>	<b>(65 423)</b>	<b>(65 423)</b>	<b>(5 140)</b>	<b>(13 395)</b>	<b>(3 679)</b>
Share of surplus/(deficit) of associate	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) for the year</b>	<b>(81 607)</b>	<b>(10 899)</b>	<b>(45 015)</b>	<b>(48 747)</b>	<b>(65 423)</b>	<b>(65 423)</b>	<b>(5 140)</b>	<b>(13 395)</b>	<b>(3 679)</b>
<b>Capital expenditure &amp; funds sources</b>									
Capital expenditure	163 275	143 794	130 300	97 721	122 785	122 785	103 914	94 606	103 551
Transfers recognised - capital	94 833	53 809	38 090	36 368	55 498	55 498	64 354	80 876	73 561
Public contributions & donations	14 360	5 067	7 985	-	1 936	1 936	462	-	-
Borrowing	73 964	67 544	70 634	45 923	48 770	48 770	32 346	30 000	30 000
Internally generated funds	20 178	17 345	14 222	14 430	15 582	15 582	6 763	3 790	-
<b>Total sources of capital funds</b>	<b>163 275</b>	<b>143 794</b>	<b>130 930</b>	<b>97 721</b>	<b>122 785</b>	<b>122 785</b>	<b>103 914</b>	<b>94 606</b>	<b>103 551</b>
<b>Financial position</b>									
Total current assets	230 033	205 698	175 465	197 148	208 517	208 517	207 928	236 902	286 385
Total non current assets	3 269 100	3 290 140	3 302 111	3 316 478	3 332 776	3 332 776	3 320 511	3 302 983	3 287 443
Total current liabilities	137 580	160 331	148 801	153 949	153 113	153 113	174 459	178 435	201 387
Total non current liabilities	452 301	483 951	520 370	549 267	593 707	593 707	617 698	628 376	636 134
Community wealth/Equity	2 849 252	2 851 526	2 807 905	2 810 909	2 794 472	2 794 472	2 736 314	2 732 985	2 736 717
<b>Cash flows</b>									
Net cash from/(used) operating	98 981	75 920	76 916	80 014	126 678	126 678	110 861	125 532	152 720
Net cash from/(used) investing	(151 774)	(146 955)	(130 369)	(103 533)	(128 597)	(128 597)	(110 144)	(100 523)	(109 575)
Net cash from/(used) financing	109 489	28 482	32 764	27 163	28 183	28 183	7 409	4 515	1 659
<b>Cash/cash equivalents at the year end</b>	<b>126 699</b>	<b>84 147</b>	<b>63 150</b>	<b>66 650</b>	<b>89 421</b>	<b>89 421</b>	<b>97 547</b>	<b>127 071</b>	<b>171 875</b>
<b>Cash backing/surplus reconciliation</b>									
Cash and investments available	132 391	95 744	80 123	110 257	111 628	111 628	126 001	161 455	212 284
Application of cash and investments	2 377	6 388	(16 024)	(16 663)	(32 522)	(32 522)	8 224	13 360	30 132
<b>Balance - surplus (shortfall)</b>	<b>130 014</b>	<b>89 356</b>	<b>96 147</b>	<b>126 920</b>	<b>144 149</b>	<b>144 149</b>	<b>117 777</b>	<b>148 095</b>	<b>182 152</b>
<b>Asset management</b>									
Asset register summary (NOV)	3 181 234	3 277 435	3 280 777	3 264 115	3 310 912	3 310 912	3 292 016	3 268 579	3 247 014
Depreciation & asset impairment	104 041	104 408	99 361	109 365	105 461	105 461	111 362	118 043	125 126
Renewal of Existing Assets	-	4 147	47 032	28 139	32 838	32 838	20 758	21 000	6 500
Repairs and Maintenance	64 843	114 414	150 358	162 368	163 071	163 071	121 077	126 814	150 754
<b>Free services</b>									
Cost of Free Basic Services provided	28 884	32 049	36 509	41 716	41 716	41 716	48 236	52 358	56 767
Revenue cost of free services provided	82 441	77 796	74 679	75 253	75 253	75 253	88 909	95 819	103 302
<b>Households below minimum service level</b>									
Water	-	-	-	-	-	-	-	-	-
Sanitation/sewerage	-	-	-	-	-	-	-	-	-
Energy	-	-	-	1	1	1	-	-	-
Refuse	-	-	-	-	-	-	-	-	-



# Explanatory notes to MBRR Table A1 - Budget Summary

1. Table A1 is a budget summary and provides a concise overview of the Municipality's budget from all of the major financial perspectives (operating, capital expenditure, financial position, cash flow, and MFMA funding compliance).
2. The table provides an overview of the amounts approved by Council for operating performance, resources deployed to capital expenditure, financial position, cash and funding compliance, as well as the municipality's service delivery and commitment to eliminating basic service delivery backlogs.
3. Financial management reforms emphasises the importance of the municipal budget being funded. This requires the simultaneous assessment of the Financial Performance, Financial Position and Cash Flow Budgets, along with the Capital Budget. The Budget Summary provides the key information in this regard:
  - a. The operating surplus, after excluding non-cash expenditure, is positive over the MTREF
  - b. Capital expenditure is balanced by capital funding sources, of which
    - i. Transfers recognised is reflected on the Financial Performance Budget;
    - ii. Borrowing is incorporated in the net cash from financing on the Cash Flow Budget
    - iii. Internally generated funds are financed from a combination of the current operating surplus and accumulated cash-backed surpluses from previous years. The amount is incorporated in the Net cash from investing on the Cash Flow Budget. The fact that the municipality's cash flow remains positive and stable indicates that the necessary cash resources are available to fund the Capital Budget.
4. The Cash backing/surplus reconciliation shows that the cash increases over the MTREF.
5. Even though the Council is placing great emphasis on securing the financial sustainability of the municipality, this is not being done at the expense of services to the poor. The section of Free Services shows that the amount spent on Free Basic Services and the revenue cost of free services provided by the municipality continues to increase. In addition, the municipality continues to make progress in addressing service delivery backlogs.



Table 18 MBRR Table A2 - Budgeted Financial Performance (revenue and expenditure by standard classification)

Standard Classification Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>Revenue - Standard</b>									
<i>Governance and administration</i>	167 928	232 385	199 504	231 971	232 413	232 413	255 994	272 264	292 833
Executive and council	31 493	38 355	42 355	52 442	52 442	52 442	64 861	72 528	79 959
Budget and treasury office	127 745	137 728	150 786	169 095	170 420	170 420	180 309	191 921	204 338
Corporate services	8 700	55 303	6 363	9 534	9 551	9 551	10 785	7 816	8 338
<i>Community and public safety</i>	23 195	90 862	71 418	33 726	78 422	78 422	101 843	124 937	118 869
Community and social services	2 574	2 990	2 574	2 402	2 402	2 402	4 657	9 004	9 508
Sport and recreation	6 609	7 785	11 427	9 565	9 191	9 191	11 942	14 042	14 766
Public safety	10 048	20 142	28 380	13 184	36 034	36 034	37 678	39 164	40 802
Housing	3 965	19 969	29 116	8 576	30 735	30 735	47 567	62 726	53 783
Health	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>	12 963	18 567	30 962	13 939	16 496	16 496	20 033	10 531	13 254
Planning and development	8 801	7 907	12 853	8 465	8 550	8 550	9 043	9 129	8 932
Road transport	3 963	10 595	17 750	5 387	7 869	7 869	10 890	2 700	4 200
Environmental protection	299	-	315	76	76	76	101	110	121
<i>Trading services</i>	456 833	461 155	455 124	542 106	540 568	540 568	581 518	625 966	677 315
Electricity	229 438	249 645	270 389	313 388	312 305	312 305	346 361	375 057	413 162
Water	108 189	95 525	95 086	96 872	96 872	96 872	106 211	113 026	120 078
Waste water management	79 350	88 428	85 091	72 155	71 106	71 106	89 402	74 765	77 229
Waste management	39 605	46 758	53 066	59 691	60 286	60 286	59 544	63 118	66 906
Other	-	-	-	-	-	-	-	-	-
<b>Total Revenue - Standard</b>	<b>660 918</b>	<b>762 969</b>	<b>787 087</b>	<b>820 842</b>	<b>867 900</b>	<b>867 900</b>	<b>959 389</b>	<b>1 034 098</b>	<b>1 101 971</b>
<b>Expenditure - Standard</b>									
<i>Governance and administration</i>	190 332	205 348	119 512	127 368	124 670	124 670	237 278	248 313	267 049
Executive and council	58 811	67 621	71 355	66 867	68 003	68 003	82 565	98 337	108 547
Budget and treasury office	48 679	51 399	23 830	24 503	25 388	25 388	59 750	71 154	75 197
Corporate services	82 842	86 328	24 327	35 998	31 269	31 269	74 963	78 822	83 305
<i>Community and public safety</i>	124 992	87 288	134 133	113 535	136 344	136 344	141 933	158 237	146 267
Community and social services	24 079	26 063	30 255	32 563	32 499	32 499	31 368	33 034	35 198
Sport and recreation	15 318	14 271	18 937	22 245	20 744	20 744	18 220	19 390	20 550
Public safety	31 241	42 651	56 923	49 173	73 288	73 288	69 453	72 280	75 270
Housing	54 294	4 273	28 318	9 554	9 812	9 812	22 892	33 533	15 249
Health	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>	116 245	113 012	130 335	139 514	138 641	138 641	132 046	137 946	145 918
Planning and development	35 519	36 280	30 370	37 314	36 945	36 945	40 308	40 867	43 292
Road transport	75 715	71 108	92 559	95 166	94 492	94 492	84 785	89 883	94 986
Environmental protection	5 011	5 624	7 306	7 035	7 204	7 204	6 952	7 217	7 651
<i>Trading services</i>	310 956	346 423	448 042	489 571	533 668	533 668	453 273	492 997	539 958
Electricity	177 473	198 933	247 859	272 386	272 466	272 466	257 276	287 386	322 086
Water	53 445	61 422	99 429	93 167	90 979	90 979	78 253	81 294	85 130
Waste water management	42 486	45 965	64 869	67 138	69 170	69 170	63 478	67 214	71 597
Waste management	37 573	40 102	38 085	56 499	101 052	101 052	54 294	57 103	60 245
Other	-	-	-	-	-	-	-	-	-
<b>Total Expenditure - Standard</b>	<b>742 525</b>	<b>762 070</b>	<b>832 022</b>	<b>869 588</b>	<b>933 322</b>	<b>933 322</b>	<b>964 529</b>	<b>1 037 493</b>	<b>1 068 252</b>
<b>Surplus/(Deficit) for the year</b>	<b>(81 607)</b>	<b>10 899</b>	<b>(45 015)</b>	<b>(48 747)</b>	<b>(65 423)</b>	<b>(65 423)</b>	<b>(5 140)</b>	<b>(3 395)</b>	<b>3 679</b>



Explanatory notes to MBRR Table A2 - Budgeted Financial Performance (revenue and expenditure by standard classification) - mSCOA – Function/Sub Function

1. Table A2 is a view of the budgeted financial performance in relation to revenue and expenditure per standard classification. The modified GFS standard classification, now Function/Sub Function, divides the municipal services into 15 functional areas. Municipal revenue, operating expenditure and capital expenditure are then classified in terms of each of these functional areas which enables the National Treasury to compile 'whole of government' reports.
2. Note the Total Revenue on this table includes capital revenues (Transfers recognised – capital) and so does not balance to the operating revenue shown on Table A4.





Table 19 MBRR Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>Revenue by Vote</b>									
Vote 1 - Council	31 493	38 353	42 274	32 401	32 401	32 401	64 808	72 470	79 794
Vote 2 - Municipal Manager	-	-	-	-	-	-	-	-	-
Vote 3 - Management Services	1 294	1 478	1 386	2 410	1 844	1 844	991	1 018	1 054
Vote 4 - Finance	127 745	137 729	150 796	150 095	170 420	170 420	180 339	151 521	204 336
Vote 5 - Community Services	245 501	253 932	278 626	253 629	286 171	286 171	272 967	284 007	300 538
Vote 6 - Local Economic Development	2 817	3 750	6 431	2 968	2 968	2 968	3 091	1 573	1 730
Vote 7 - Infrastructure & Planning	242 061	307 588	291 304	326 955	319 002	319 002	309 527	443 545	473 675
Vote 8 - Protection Services	10 048	20 142	28 300	13 184	36 094	36 094	37 678	38 154	40 302
<b>Total Revenue by Vote</b>	<b>680 918</b>	<b>762 969</b>	<b>787 007</b>	<b>820 842</b>	<b>867 900</b>	<b>867 900</b>	<b>959 389</b>	<b>1 934 598</b>	<b>1 101 971</b>
<b>Expenditure by Vote to be appropriated</b>									
Vote 1 - Council	55 945	64 385	66 238	63 289	64 229	64 229	71 496	78 840	87 821
Vote 2 - Municipal Manager	2 872	3 243	1 295	1 003	786	780	4 489	3 643	3 865
Vote 3 - Management Services	32 796	30 990	5 492	15 189	13 315	13 315	43 327	45 625	48 384
Vote 4 - Finance	48 679	51 599	23 830	24 503	25 398	25 398	89 790	71 154	75 197
Vote 5 - Community Services	332 230	296 639	354 516	386 885	380 465	380 465	341 482	371 463	382 545
Vote 6 - Local Economic Development	5 845	7 722	9 945	11 140	10 915	10 915	8 731	7 464	7 531
Vote 7 - Infrastructure & Planning	232 916	264 841	271 782	318 907	364 933	364 933	355 793	387 020	407 279
Vote 8 - Protection Services	31 241	42 651	56 523	49 173	73 288	73 288	69 453	72 280	75 270
<b>Total Expenditure by Vote</b>	<b>742 525</b>	<b>782 070</b>	<b>832 022</b>	<b>869 588</b>	<b>833 322</b>	<b>833 322</b>	<b>964 529</b>	<b>1 037 493</b>	<b>1 099 292</b>
<b>Surplus/Deficit for the year</b>	<b>(61 607)</b>	<b>(19 101)</b>	<b>(45 015)</b>	<b>(48 747)</b>	<b>(65 422)</b>	<b>(65 422)</b>	<b>(5 140)</b>	<b>(1 395)</b>	<b>1 679</b>



Explanatory notes to MBRR Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote) – mSCOA – Own Segment

1. Table A3 is a view of the budgeted financial performance in relation to the revenue and expenditure per municipal vote (directorate). This table facilitates the view of the budgeted operating performance in relation to the organisational structure of the Municipality. This means it is possible to present the operating surplus or deficit of a vote.
2. This table represents the main budget vote approval of the operational budget.



Table 20 MBRR Table A4 - Budgeted Financial Performance (revenue and expenditure)

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>Revenue By Source</b>									
Property rates	108 913	120 799	134 813	148 840	153 909	153 909	162 730	173 308	184 573
Property rates - penalties & collection charges	925	772	821	1 050	1 050	1 050	891	980	1 078
Service charges - electricity revenue	224 950	247 683	269 592	310 085	310 085	310 085	338 877	371 855	407 747
Service charges - water revenue	83 755	95 243	95 156	95 897	95 897	95 897	102 045	107 700	113 691
Service charges - sanitation revenue	57 212	56 895	62 798	63 455	63 455	63 455	66 375	70 081	74 010
Service charges - refuse revenue	39 498	46 637	52 957	56 130	56 130	56 130	59 498	63 061	66 849
Service charges - other	-	-	-	-	-	-	-	-	-
Rental of bottles and equipment	6 743	7 212	7 591	7 968	7 968	7 968	11 859	12 953	14 179
Interest earned - external investments	6 981	7 553	8 382	6 166	6 166	6 166	6 345	6 345	6 348
Interest earned - outstanding debtors	2 331	2 199	2 118	2 288	2 288	2 288	2 437	2 580	2 948
Dividends received	-	-	-	-	-	-	-	-	-
Fines	5 278	14 244	22 739	7 985	30 875	30 875	31 869	32 196	33 763
Licenses and permits	1 786	1 988	1 956	2 229	2 229	2 229	2 190	2 408	2 649
Agency services	1 912	2 025	2 395	2 480	2 480	2 480	2 570	3 267	3 594
Transfers recognised - operational	38 005	41 689	67 835	58 407	61 289	61 289	50 324	107 686	97 173
Other revenue	17 375	68 979	10 504	21 717	16 833	16 833	16 643	18 153	19 812
Gains on disposal of PPE	1 920	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>597 452</b>	<b>703 871</b>	<b>736 376</b>	<b>764 474</b>	<b>810 351</b>	<b>810 351</b>	<b>895 035</b>	<b>973 222</b>	<b>1 028 409</b>
<b>Expenditure By Type</b>									
Employee related costs	207 938	231 842	260 645	290 096	276 217	276 217	291 993	306 408	323 583
Remuneration of councillors	6 717	7 084	7 933	8 516	8 516	8 516	8 674	9 152	9 741
Debt impairment	28	8 688	12 528	-	22 792	22 792	22 792	22 792	22 792
Depreciation & asset impairment	104 041	104 409	99 361	109 295	105 487	105 487	111 362	118 943	125 126
Finance charges	31 727	37 231	39 527	45 162	44 480	44 480	46 895	48 780	47 276
Bulk purchases	126 668	145 022	157 055	169 444	169 444	169 444	199 573	221 138	252 628
Other materials	54 582	12 441	13 699	17 296	17 315	17 315	57 801	89 531	53 593
Contracted services	24 079	57 897	72 754	81 062	82 467	82 467	125 322	129 122	135 442
Transfers and grants	28 454	35 856	38 749	41 370	41 668	41 668	48 437	54 967	62 844
Other expenditure	158 290	102 146	117 460	117 407	164 963	164 963	58 021	51 721	85 966
Loss on disposal of PPE	1 736	-	12 017	-	-	-	-	-	-
<b>Total Expenditure</b>	<b>742 525</b>	<b>752 070</b>	<b>832 822</b>	<b>869 588</b>	<b>933 322</b>	<b>933 322</b>	<b>964 529</b>	<b>1 037 493</b>	<b>1 098 292</b>
<b>Surplus/(Deficit)</b>	<b>(145 043)</b>	<b>(48 199)</b>	<b>(95 646)</b>	<b>(85 115)</b>	<b>(122 971)</b>	<b>(122 971)</b>	<b>(69 494)</b>	<b>(64 271)</b>	<b>(69 883)</b>
Transfers recognised - capital	54 333	55 909	38 090	34 234	55 499	55 499	63 354	60 816	73 561
Contributions recognised - capital	8 603	5 289	7 871	2 134	2 051	2 051	1 000	-	-
Contributed assets	-	-	4 571	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>(81 607)</b>	<b>10 899</b>	<b>(45 015)</b>	<b>(48 747)</b>	<b>(65 423)</b>	<b>(65 423)</b>	<b>(5 140)</b>	<b>(3 395)</b>	<b>3 679</b>
Taxation	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after taxation</b>	<b>(81 607)</b>	<b>10 899</b>	<b>(45 015)</b>	<b>(48 747)</b>	<b>(65 423)</b>	<b>(65 423)</b>	<b>(5 140)</b>	<b>(3 395)</b>	<b>3 679</b>
Attributable to minorities	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) attributable to municipality</b>	<b>(81 607)</b>	<b>10 899</b>	<b>(45 015)</b>	<b>(48 747)</b>	<b>(65 423)</b>	<b>(65 423)</b>	<b>(5 140)</b>	<b>(3 395)</b>	<b>3 679</b>
Share of surplus/(deficit) of associate	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) for the year</b>	<b>(81 607)</b>	<b>10 899</b>	<b>(45 015)</b>	<b>(48 747)</b>	<b>(65 423)</b>	<b>(65 423)</b>	<b>(5 140)</b>	<b>(3 395)</b>	<b>3 679</b>



Explanatory notes to Table A4 - Budgeted Financial Performance (revenue and expenditure)

1. Total revenue is R810,4 million in 2014/2015 and increase to R895 million in 2015/16. This represents a year-on-year increase of 10,5 per cent for the 2015/16 financial year.
2. Revenue to be generated from property rates is R153,5 million in the 2014/2015 financial year and increases to R162,7 million by 2015/16 which represents 18,2 per cent of the operating revenue base of the Municipality and therefore remains a significant funding source for the municipality.
3. Services charges relating to electricity, water, sanitation and refuse removal constitutes the biggest component of the revenue basket of the Municipality totalling R525,5 million for the 2014/2015 financial year and increasing to R566,8 million by 2015/16. For the 2015/16 financial year services charges amount to 63,3 per cent of the total revenue base.
4. Transfers recognised – operating grants includes the local government equitable share and other operating grants from national and provincial government.
5. The following graph illustrates the major expenditure items by type.

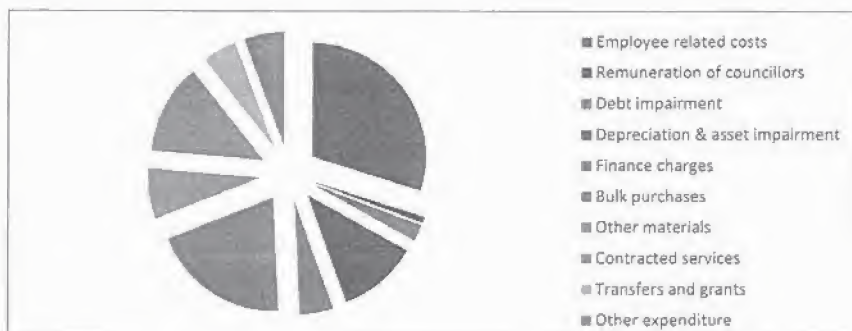


Figure 2 Expenditure by major type

6. Bulk purchases have significantly increased over the 2011/12 to 2017/18 period escalating from R127 million to R253 million. These increases can be attributed to the substantial increase in the cost of bulk electricity from Eskom.
7. Employee related costs and bulk purchases are the main cost drivers within the municipality and alternative operational gains and efficiencies will have to be identified to lessen the impact of wage and bulk tariff increases in future years.



Table 21 MBRR Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source

Vote Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>R thousand</b>									
<b>Capital expenditure - Vote</b>									
<b>Multi-year expenditure to be appropriated</b>									
Vote 1 - Council	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager	-	-	-	-	-	-	-	-	-
Vote 3 - Management Services	-	-	-	-	-	-	-	-	-
Vote 4 - Finance	-	-	-	-	-	-	-	-	-
Vote 5 - Community Services	-	-	5 000	4 939	3 565	3 565	21 911	4 500	4 000
Vote 6 - Local Economic Development	-	-	-	-	-	-	-	-	-
Vote 7 - Infrastructure & Planning	-	-	-	-	-	-	11 451	3 000	3 000
Vote 8 - Protection Services	-	-	-	-	-	-	-	-	-
<b>Capital multi-year expenditure sub-total</b>	-	-	5 000	4 939	3 565	3 565	33 362	7 500	7 000
<b>Single-year expenditure to be appropriated</b>									
Vote 1 - Council	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager	-	-	-	-	-	-	-	-	-
Vote 3 - Management Services	509	1 274	1 790	2 543	2 534	2 534	2 528	-	-
Vote 4 - Finance	-	-	-	-	-	-	-	-	-
Vote 5 - Community Services	119 308	110 111	74 622	71 999	92 038	92 038	56 809	72 106	79 561
Vote 6 - Local Economic Development	-	945	-	-	-	-	-	-	-
Vote 7 - Infrastructure & Planning	42 394	31 434	49 518	18 235	19 450	19 450	10 920	15 000	17 000
Vote 8 - Protection Services	645	-	-	-	-	-	295	-	-
<b>Capital single-year expenditure sub-total</b>	163 275	143 764	125 930	92 781	114 022	114 022	70 552	87 106	96 561
<b>Total Capital Expenditure - Vote</b>	163 275	143 764	130 930	97 721	117 588	117 588	103 914	94 606	103 561
<b>Capital Expenditure - Standard</b>									
<b>Governance and administration</b>	24 047	7 154	21 308	16 815	17 776	17 776	2 648	3 730	-
Executive and council	-	-	-	-	-	-	-	-	-
Budget and treasury office	-	-	-	-	-	-	-	-	-
Corporate services	24 047	7 154	21 308	16 815	17 776	17 776	2 648	3 730	-
<b>Community and public safety</b>	3 319	7 268	19 582	21 205	42 622	42 622	36 768	45 550	53 174
Community and social services	327	4 666	3 482	5 635	5 595	5 595	3 520	4 000	4 000
Sport and recreation	1 531	2 601	5 696	3 050	2 616	2 616	5 981	6 880	6 880
Public safety	645	-	-	-	-	-	295	-	-
Housing	817	-	10 404	12 486	34 410	34 410	29 973	34 750	44 374
Health	-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>	8 340	25 552	16 051	5 400	6 300	6 300	12 128	4 000	4 000
Planning and development	2 863	945	-	-	-	-	25	-	-
Road transport	5 477	24 607	16 051	5 400	6 300	6 300	12 103	4 000	4 000
Environmental protection	-	-	-	-	-	-	-	-	-
<b>Trading services</b>	127 569	103 790	75 989	54 300	56 087	56 087	49 370	41 326	44 387
Electricity	30 061	26 768	37 115	17 000	17 000	17 000	21 726	14 000	16 000
Water	57 384	50 796	23 631	12 800	16 384	16 384	15 390	14 726	15 787
Waste water management	39 927	20 738	10 202	14 300	13 403	13 403	11 244	12 600	12 600
Waste management	196	5 528	3 041	10 200	9 300	9 300	10	-	-
<b>Other</b>	-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure - Standard</b>	163 275	143 764	130 930	97 721	122 785	122 785	103 914	94 606	103 561
<b>Funded by:</b>									
National Government	40 212	36 911	6 339	24 174	23 608	23 608	30 347	26 126	29 187
Provincial Government	14 521	16 898	31 751	10 060	31 890	31 890	33 007	34 750	44 374
District Municipality	-	-	-	-	-	-	-	-	-
Other transfers and grants	-	-	-	2 134	1 000	1 000	1 000	-	-
<b>Transfers recognised - capital</b>	54 733	53 809	38 090	36 368	56 498	56 498	64 354	60 876	73 561
<b>Public contributions &amp; donations</b>	14 300	5 967	7 965	-	1 936	1 936	462	-	-
<b>Borrowing</b>	73 994	57 544	70 634	46 923	48 770	48 770	32 346	30 000	30 000
<b>Internally generated funds</b>	20 178	17 345	14 222	14 400	15 582	15 582	6 753	3 730	-
<b>Total Capital Funding</b>	163 275	143 764	130 930	97 721	122 785	122 785	103 914	94 606	103 561



**Explanatory notes to Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source**

1. Table A5 is a breakdown of the capital programme in relation to capital expenditure by municipal vote (multi-year and single-year appropriations); capital expenditure by standard classification; and the funding sources necessary to fund the capital budget, including information on capital transfers from national and provincial departments.
2. The MFMA provides that a municipality may approve multi-year or single-year capital budget appropriations. The capital expenditure amounts to R103,9 million in 2015/16.
3. Unlike multi-year capital appropriations, single-year appropriations relate to expenditure that will be incurred in the specific budget year such as the procurement of vehicles and specialized tools and equipment. The budget appropriations for the two outer years are indicative allocations based on the departmental business plans as informed by the IDP and will be reviewed on an annual basis to assess the relevance of the expenditure in relation to the strategic objectives and service delivery imperatives of the Municipality.
4. The capital programme is funded from national and provincial grants and transfers, public contributions and donations, borrowing and internally generated funds from previous year surpluses. For 2015/16, capital transfers totals R64,3 million. Borrowing has been provided at R30 million, finance leases (nil), internally generated funding totaling R6,7 million and roll over funding amounting to R5,4 million. These funding sources are further discussed in detail in paragraph 2.6 (Overview of Budget Funding).



Table 22 MBRR Table A6 - Budgeted Financial Position

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>R thousand</b>									
<b>ASSETS</b>									
<b>Current assets</b>									
Cash	51 699	29 106	13 119	88 050	89 421	89 421	97 547	127 071	171 875
Call investment deposits	75 000	55 042	50 039	-	-	-	-	-	-
Consumer debtors	50 361	49 025	47 451	52 591	52 591	52 591	51 774	58 341	61 151
Other debtors	36 501	52 222	51 104	44 398	55 398	55 398	44 112	38 172	37 391
Current portion of long-term receivables	25	17	15	14	14	14	13	11	10
Inventory	16 445	20 257	13 137	12 092	11 092	11 092	14 483	15 207	15 968
<b>Total current assets</b>	<b>230 033</b>	<b>205 668</b>	<b>175 465</b>	<b>197 145</b>	<b>208 517</b>	<b>208 517</b>	<b>207 929</b>	<b>236 802</b>	<b>286 295</b>
<b>Non current assets</b>									
Long-term receivables	126	84	68	57	57	57	41	30	20
Investments	5 091	11 597	16 965	22 207	22 207	22 207	28 455	34 384	40 409
Investment property	164 673	175 866	164 501	176 866	164 501	164 501	164 501	164 501	164 501
Investment in Associate	-	-	-	-	-	-	-	-	-
Property, plant and equipment	3 073 014	3 097 120	3 111 058	3 072 423	3 140 791	3 140 791	3 122 147	3 099 677	3 079 080
Agricultural	-	-	-	-	-	-	-	-	-
Biological	-	-	-	-	-	-	-	-	-
Intangible	3 547	4 449	5 220	8 426	5 220	5 220	5 369	4 401	3 433
Other non-current assets	22 049	1 025	4 301	39 500	-	-	-	-	-
<b>Total non current assets</b>	<b>3 299 100</b>	<b>3 290 140</b>	<b>3 302 111</b>	<b>3 318 478</b>	<b>3 332 778</b>	<b>3 332 776</b>	<b>3 320 511</b>	<b>3 302 993</b>	<b>3 287 443</b>
<b>TOTAL ASSETS</b>	<b>3 439 133</b>	<b>3 495 808</b>	<b>3 477 576</b>	<b>3 515 623</b>	<b>3 541 295</b>	<b>3 541 293</b>	<b>3 528 441</b>	<b>3 539 795</b>	<b>3 573 738</b>
<b>LIABILITIES</b>									
<b>Current liabilities</b>									
Bank overdraft	-	-	-	-	-	-	-	-	-
Borrowing	16 798	18 241	20 443	25 106	25 064	25 064	28 113	30 730	34 070
Consumer deposits	31 206	34 932	37 751	41 321	41 321	41 321	43 801	46 429	49 215
Trade and other payables	67 728	79 489	64 943	55 831	50 563	50 563	74 229	70 679	64 780
Provisions	21 847	27 670	25 883	21 552	26 166	26 166	28 317	30 507	33 013
<b>Total current liabilities</b>	<b>137 580</b>	<b>160 331</b>	<b>148 801</b>	<b>153 816</b>	<b>153 113</b>	<b>153 113</b>	<b>174 459</b>	<b>178 435</b>	<b>201 387</b>
<b>Non current liabilities</b>									
Borrowing	341 204	364 632	392 444	411 756	412 829	412 829	415 989	415 269	410 503
Provisions	111 097	113 319	128 527	137 501	180 679	180 679	201 869	212 107	225 251
<b>Total non current liabilities</b>	<b>452 301</b>	<b>477 951</b>	<b>520 971</b>	<b>549 257</b>	<b>593 707</b>	<b>593 707</b>	<b>617 858</b>	<b>627 376</b>	<b>635 754</b>
<b>TOTAL LIABILITIES</b>	<b>589 881</b>	<b>638 282</b>	<b>669 772</b>	<b>703 073</b>	<b>746 820</b>	<b>746 820</b>	<b>792 317</b>	<b>805 811</b>	<b>837 141</b>
<b>NET ASSETS</b>	<b>2 849 252</b>	<b>2 857 526</b>	<b>2 807 805</b>	<b>2 812 550</b>	<b>2 794 472</b>	<b>2 794 472</b>	<b>2 736 124</b>	<b>2 733 985</b>	<b>2 736 597</b>
<b>COMMUNITY WEALTH/EQUITY</b>									
Accumulated Surplus/Deficit	2 847 332	2 849 634	2 805 240	2 808 575	2 791 899	2 791 899	2 733 677	2 730 282	2 733 960
Reserves	1 920	1 891	2 565	1 974	2 573	2 573	2 637	2 703	2 757
Minorities' interests	-	-	-	-	-	-	-	-	-
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	<b>2 849 252</b>	<b>2 851 526</b>	<b>2 807 805</b>	<b>2 810 509</b>	<b>2 794 472</b>	<b>2 794 472</b>	<b>2 736 314</b>	<b>2 733 985</b>	<b>2 736 717</b>



## Explanatory notes to Table A6 - Budgeted Financial Position

1. Table A6 is consistent with international standards of good financial management practice, and improves understandability for councilors and management of the impact of the budget on the statement of financial position (balance sheet).
2. This format of presenting the statement of financial position is largely aligned to GRAP1, which is generally aligned to the international version which presents Assets less Liabilities as "accounting" Community Wealth. The order of items within each group illustrates items in order of liquidity; i.e. assets readily converted to cash, or liabilities immediately required to be met from cash, appear first.
3. Table 62 is supported by an extensive table of notes (SA3 which can be found on page 98) providing a detailed analysis of the major components of a number of items, including:
  - Call investments deposits;
  - Consumer debtors;
  - Property, plant and equipment;
  - Trade and other payables;
  - Provisions non-current;
  - Changes in net assets; and
  - Reserves
4. The municipal equivalent of equity is Community Wealth/Equity. The justification is that ownership and the net assets of the municipality belong to the community.
5. Any movement on the Budgeted Financial Performance or the Capital Budget will inevitably impact on the Budgeted Financial Position. As an example, the collection rate assumption will impact on the cash position of the municipality and subsequently inform the level of cash and cash equivalents at year end. Similarly, the collection rate assumption should inform the budget appropriation for debt impairment which in turn would impact on the provision for bad debt. These budget and planning assumptions form a critical link in determining the applicability and relevance of the budget as well as the determination of ratios and financial indicators. In addition the funding compliance assessment is informed directly by forecasting the statement of financial position.





Table 23 MBRR Table A7 - Budgeted Cash Flow Statement

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>R thousand</b>									
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>									
<b>Receipts</b>									
Property rates, penalties & collection charges	110 347	120 273	135 875	148 254	154 165	154 165	163 800	173 297	184 620
Service charges	337 229	437 061	483 167	522 072	524 216	524 216	567 409	608 975	688 596
Other revenue	69 894	41 589	63 975	46 516	63 257	63 257	76 884	75 476	74 790
Government - operating	37 750	44 140	63 477	58 407	61 289	61 289	90 324	107 886	97 173
Government - capital	54 833	54 577	38 090	36 366	57 549	57 549	64 364	60 876	73 561
Interest	9 211	9 754	8 470	8 454	8 454	8 454	8 784	9 028	9 296
Dividends							-	-	-
<b>Payments</b>									
Supplies and employees	(520 155)	(558 519)	(637 833)	(653 525)	(666 105)	(666 105)	(765 303)	(808 560)	(835 753)
Finance charges	(31 989)	(37 199)	(39 858)	(45 162)	(44 480)	(44 480)	(46 895)	(46 780)	(47 279)
Transfers and Grants	(28 454)	(35 856)	(38 743)	(41 370)	(41 638)	(41 638)	(48 497)	(54 667)	(62 244)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>	<b>98 981</b>	<b>75 920</b>	<b>76 616</b>	<b>80 014</b>	<b>125 676</b>	<b>125 676</b>	<b>110 861</b>	<b>125 532</b>	<b>152 720</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>									
<b>Receipts</b>									
Proceeds on disposal of PPE	13 722	1 725	5 073	-	-	-	-	-	-
Decrease (increase) in non-current debtors	2 183	-	-	-	-	-	-	-	-
Decrease (increase) other non-current receivables	20	45	18	15	15	15	18	13	11
Decrease (increase) in non-current investments	(4 430)	(4 960)	(4 529)	(5 827)	(5 827)	(5 827)	(6 248)	(5 930)	(6 025)
<b>Payments</b>									
Capital assets	(163 275)	(143 764)	(130 330)	(97 721)	(122 785)	(122 785)	(103 914)	(94 609)	(103 561)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>	<b>(151 774)</b>	<b>(146 859)</b>	<b>(130 368)</b>	<b>(103 533)</b>	<b>(128 597)</b>	<b>(128 597)</b>	<b>(110 144)</b>	<b>(100 523)</b>	<b>(108 576)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>									
<b>Receipts</b>									
Short term loans	940	(389)	(730)	5 620	6 841	6 841	(1 135)	(1 271)	(1 352)
Borrowing long term/financing	110 000	38 700	51 300	40 000	40 000	40 000	30 000	30 000	30 000
Increase (decrease) in consumer deposits	12 844	3 726	2 819	2 703	2 703	2 703	2 479	2 628	2 786
<b>Payments</b>									
Repayment of borrowing	(14 295)	(13 554)	(20 626)	(21 061)	(21 061)	(21 061)	(23 936)	(26 841)	(29 775)
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>	<b>109 489</b>	<b>28 482</b>	<b>32 764</b>	<b>27 163</b>	<b>28 483</b>	<b>28 483</b>	<b>7 408</b>	<b>4 515</b>	<b>1 659</b>
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>	<b>56 696</b>	<b>(42 562)</b>	<b>(20 988)</b>	<b>3 844</b>	<b>25 262</b>	<b>25 262</b>	<b>8 126</b>	<b>29 524</b>	<b>44 804</b>
Cash/cash equivalents at the year begin:	70 004	126 699	84 147	84 406	63 158	63 158	89 421	97 947	127 071
Cash/cash equivalents at the year end:	126 699	84 147	63 158	88 050	89 421	89 421	97 547	127 071	171 875



## Explanatory notes to Table A7 - Budgeted Cash Flow Statement

1. The budgeted cash flow statement is the first measurement in determining if the budget is funded.
2. It shows the expected level of cash in-flow versus cash out-flow that is likely to result from the implementation of the budget.
3. It can be seen that the expected cash levels of the Municipality increase steadily over the 2015/2016 to 2017/18 period.
4. The 2015/16 MTREF has been informed by the planning principle of ensuring adequate cash over the medium-term.
5. Cash and cash equivalents totals R97,5 million as at the end of the 2015/2016 financial year and increases to R171,8 million by 2017/18.



Table 24 MBRR Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>Cash and investments available</b>									
Cash/cash equivalents at the year end	126 699	84 147	63 158	88 050	39 421	39 421	97 547	127 071	171 875
Other current investments > 90 days	0	-	0	-	-	-	0	(0)	0
Non current assets - Investments	5 691	11 597	16 965	22 207	22 207	22 207	28 455	34 384	40 409
<b>Cash and investments available:</b>	<b>132 391</b>	<b>95 744</b>	<b>80 123</b>	<b>110 257</b>	<b>111 628</b>	<b>111 628</b>	<b>126 001</b>	<b>161 455</b>	<b>212 284</b>
<b>Application of cash and investments</b>									
Unspent conditional transfers	4 555	7 783	3 425	-	-	-	-	-	-
Unspent borrowing	18 256	6 133	1 847	-	-	-	-	-	-
Statutory requirements									
Other working capital requirements	(28 049)	(21 016)	(40 826)	(40 803)	(57 301)	(57 301)	(22 889)	(23 728)	(13 035)
Other provisions									
Long term investments committed	5 691	11 597	16 965	22 207	22 207	22 207	28 455	34 384	40 409
Reserves to be backed by cash/investments	1 920	1 891	2 565	1 934	2 573	2 573	2 637	2 703	2 757
<b>Total Application of cash and investments:</b>	<b>2 373</b>	<b>6 388</b>	<b>(16 024)</b>	<b>(19 663)</b>	<b>(32 522)</b>	<b>(32 522)</b>	<b>8 224</b>	<b>13 360</b>	<b>30 132</b>
<b>Surplus(shortfall)</b>	<b>130 018</b>	<b>89 356</b>	<b>96 147</b>	<b>126 920</b>	<b>144 149</b>	<b>144 149</b>	<b>117 777</b>	<b>148 095</b>	<b>182 152</b>



**Explanatory notes to Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation**

1. The cash backed reserves/accumulated surplus reconciliation is aligned to the requirements of MFMA Circular 42 – Funding a Municipal Budget.
2. In essence the table evaluates the funding levels of the budget by firstly forecasting the cash and investments at year end and secondly reconciling the available funding to the liabilities/commitments that exist.
3. The outcome of this exercise would either be a surplus or deficit. A deficit would indicate that the applications exceed the cash and investments available and would be indicative of non-compliance with the MFMA requirements that the municipality's budget must be "funded".
4. As part of the budgeting and planning guidelines that informed the compilation of the 2015/16 MTREF the end objective of the medium-term framework was to ensure the budget is funded aligned to section 18 of the MFMA.
5. As can be seen the budget has been modelled to ensure that the budget is funded.





Table 25 MBRR Table A9 - Asset Management

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>CAPITAL EXPENDITURE</b>									
<b>Total New Assets</b>	193 275	129 617	83 899	89 581	89 948	89 948	83 158	73 668	97 081
Infrastructure - Road transport	12 754	15 578	9 283	800	1 332	1 332	14 979	5 000	5 000
Infrastructure - Electricity	30 061	22 203	24 162	13 900	13 900	13 900	21 726	9 500	14 500
Infrastructure - Water	57 384	46 634	7 300	—	580	580	4 737	8 726	11 787
Infrastructure - Sanitation	32 650	16 478	2 440	9 600	8 802	8 802	3 420	6 100	10 020
Infrastructure - Other	196	5 359	1 400	10 200	9 300	9 300	10	—	—
Infrastructure - Community	122 045	108 252	50 517	24 500	24 022	24 022	44 873	24 226	81 887
Heritage assets	8 183	20 997	13 896	18 266	38 167	38 167	35 811	45 580	55 174
Investment properties	—	—	—	—	—	—	—	—	—
Other assets	—	—	795	—	—	—	—	—	—
Agricultural Assets	23 119	3 028	18 637	18 815	17 776	17 776	2 673	3 730	—
Biological assets	—	—	—	—	—	—	—	—	—
Intangibles	—	—	—	—	—	—	—	—	—
<b>Total Renewal of Existing Assets</b>	—	6 147	47 072	28 129	32 938	32 938	20 758	21 809	9 586
Infrastructure - Road transport	—	121	8 892	5 400	6 300	6 300	—	—	—
Infrastructure - Electricity	—	—	12 956	3 100	3 100	3 100	—	5 500	1 500
Infrastructure - Water	—	—	16 331	12 800	15 605	15 605	11 653	10 000	4 000
Infrastructure - Sanitation	—	—	1 711	3 900	3 179	3 179	4 947	5 500	1 000
Infrastructure - Other	—	—	1 641	—	—	—	—	—	—
Infrastructure - Community	—	121	39 538	25 200	29 384	29 384	16 600	21 000	6 500
Community	—	758	5 688	2 939	4 454	4 454	4 158	—	—
Heritage assets	—	—	—	—	—	—	—	—	—
Investment properties	—	—	—	—	—	—	—	—	—
Other assets	—	—	3 260	1 817	—	—	—	—	—
Agricultural Assets	—	—	—	—	—	—	—	—	—
Biological assets	—	—	—	—	—	—	—	—	—
Intangibles	—	—	—	—	—	—	—	—	—
<b>Total Capital Expenditure</b>	12 754	15 709	16 094	6 200	7 632	7 632	14 979	5 000	5 000
Infrastructure - Road transport	30 061	22 203	37 115	17 000	17 000	17 000	21 726	14 000	16 000
Infrastructure - Electricity	57 384	46 634	23 631	12 900	16 384	16 384	18 380	14 726	15 787
Infrastructure - Sanitation	32 650	16 478	10 158	13 500	12 071	12 071	8 367	11 800	11 500
Infrastructure - Other	196	5 359	2 043	10 200	9 300	9 300	10	—	—
Infrastructure - Community	122 045	108 252	80 040	89 700	82 387	82 387	81 473	45 328	88 387
Community	8 183	21 752	19 582	21 205	42 622	42 622	38 768	45 500	55 174
Heritage assets	—	—	—	—	—	—	—	—	—
Investment properties	—	—	735	—	—	—	—	—	—
Other assets	—	—	—	—	—	—	—	—	—
Agricultural Assets	23 119	12 298	28 513	18 815	17 776	17 776	2 673	3 730	—
Biological assets	—	—	—	—	—	—	—	—	—
Intangibles	—	—	—	—	—	—	—	—	—
<b>TOTAL CAPITAL EXPENDITURE - Asset report</b>	163 275	142 764	139 930	97 721	122 763	122 765	103 914	94 408	109 581
<b>ASSET REGISTER SUMMARY - PPE (NOV)</b>									
Infrastructure - Road transport	946 061	947 141	947 269	906 551	907 352	907 352	925 842	915 933	909 563
Infrastructure - Electricity	600 736	609 815	619 999	620 545	621 164	621 164	620 094	612 727	606 077
Infrastructure - Water	419 500	438 648	459 954	453 857	459 276	459 276	453 842	450 864	448 838
Infrastructure - Sanitation	379 653	381 194	377 248	378 342	373 384	373 384	382 220	387 578	359 126
Infrastructure - Other	37 051	38 059	39 501	70 575	76 287	76 287	38 232	54 202	48 669
Infrastructure - Community	7 583 001	2 435 858	2 438 970	2 427 874	2 438 064	2 438 064	2 441 033	2 421 305	2 458 273
Heritage assets	91 384	58 783	62 914	98 287	106 034	106 034	83 654	86 637	99 391
Investment properties	104 602	99 873	99 572	99 322	99 322	99 322	99 572	99 572	99 572
Other assets	104 473	113 860	164 501	173 865	164 501	164 501	164 501	164 501	164 501
Agricultural Assets	500 057	502 906	508 700	458 970	487 371	487 371	517 890	512 165	501 844
Biological assets	—	—	—	—	—	—	—	—	—
Intangibles	3 547	4 449	5 220	8 426	5 220	5 220	5 368	4 401	3 433
<b>TOTAL ASSET REGISTER SUMMARY - PPE (NOV)</b>	3 181 234	3 277 425	3 280 777	3 284 715	3 310 512	3 310 512	3 262 018	3 268 579	3 247 014
<b>EXPENDITURE OTHER ITEMS</b>									
Depreciation & asset impairment	104 041	104 408	99 361	109 265	105 401	105 401	111 352	118 043	125 128
Repairs and Maintenance by Asset Class	64 345	114 414	150 358	162 268	163 071	163 071	121 077	126 814	150 154
Infrastructure - Road transport	29 842	42 291	63 745	80 540	88 540	88 540	57 090	60 842	64 540
Infrastructure - Electricity	4 601	14 105	20 468	25 691	25 691	25 691	16 635	17 340	23 891
Infrastructure - Water	6 892	21 502	27 931	29 775	26 775	26 775	22 874	24 001	24 993
Infrastructure - Sanitation	4 568	7 768	15 465	14 146	14 146	14 146	12 159	12 953	15 387
Infrastructure - Other	2 125	1 681	1 891	1 800	1 800	1 800	2 402	2 719	1 130
Infrastructure - Community	42 126	87 048	129 145	136 752	136 752	136 752	111 448	117 462	123 341
Community	8 012	5 408	7 348	9 298	9 298	9 298	4 546	4 391	8 211
Heritage assets	—	—	—	—	—	—	—	—	—
Investment properties	270	—	—	—	—	—	—	—	—
Other assets	15 443	21 858	13 364	16 218	17 021	17 021	5 081	4 559	9 303
<b>TOTAL EXPENDITURE OTHER ITEMS</b>	188 889	218 821	249 719	271 533	268 522	268 522	232 439	244 857	275 839
Renewal of Existing Assets as % of total capex	0.0%	7.9%	33.9%	26.0%	26.7%	26.7%	20.0%	22.2%	8.3%
Renewal of Existing Assets as % of deprecn	0.0%	4.0%	47.2%	25.0%	21.1%	21.1%	18.8%	17.8%	5.2%
RAM as % of PPE	2.1%	3.7%	4.8%	6.3%	5.3%	5.2%	3.0%	4.1%	4.9%
Renewal and RAM as % of PPE	7.0%	4.0%	8.0%	8.0%	8.0%	8.0%	4.0%	3.0%	3.0%



### Explanatory notes to Table A9 - Asset Management

1. Table A9 provides an overview of municipal capital allocations to building new assets and the renewal of existing assets, as well as spending on repairs and maintenance by asset class.
2. The following graph provides an analysis between depreciation and operational repairs and maintenance over the MTREF.

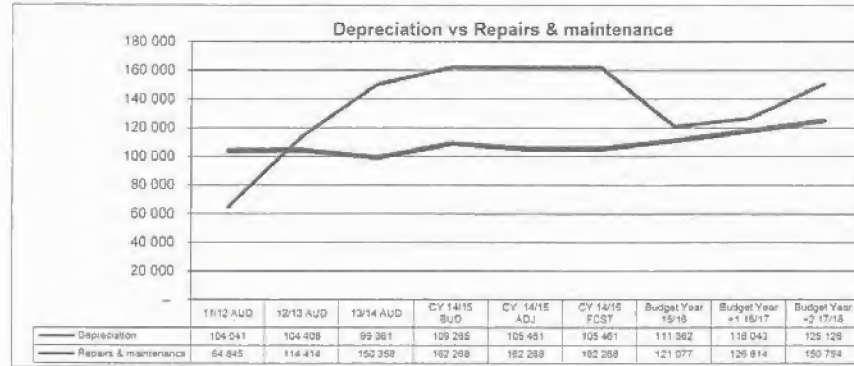


Figure 3 Depreciation in relation to repairs and maintenance over the MTREF



Table 26 MBRR Table A10 - Basic Service Delivery Measurement

Description	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
	Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
<b>Household service targets</b>									
<b>Water:</b>									
Piped water inside dwelling	27 203	27 295	32 032	28 100	28 100	28 100	29 295	30 400	31 370
Piped water inside yard (but not in dwelling)	—	—	—	—	—	—	—	—	—
Using public tap (at least min. service level)	3 449	3 436	3 334	3 350	3 350	3 350	3 168	3 138	3 058
Other water supply (at least min. service level)	199	199	155	—	—	—	—	—	—
Minimum Service Level and Above sub-total	30 551	30 930	35 521	31 450	31 450	31 450	32 463	33 538	34 428
Using public tap (< min. service level)	—	—	—	—	—	—	—	—	—
Other water supply (< min. service level)	—	—	—	—	—	—	—	—	—
No water supply	—	—	—	—	—	—	—	—	—
Below Minimum Service Level sub-total	—	—	—	—	—	—	—	—	—
Total number of households	30 551	30 930	35 521	31 450	31 450	31 450	32 463	33 538	34 428
<b>Sanitation/sewage:</b>									
Flush toilet (connected to sewerage)	21 205	21 284	21 532	20 030	20 030	20 030	20 818	21 413	21 923
Flush toilet (with septic tank)	9 646	9 645	9 798	11 420	11 420	11 420	11 603	12 410	12 730
Chemical toilet	—	—	—	—	—	—	—	—	—
Pit toilet (ventilated)	—	—	—	—	—	—	—	—	—
Other toilet provisions (> min. service level)	—	—	—	—	—	—	—	—	—
Minimum Service Level and Above sub-total	30 851	30 930	31 431	31 450	31 450	31 450	32 423	33 823	34 703
Bucket toilet	—	—	—	—	—	—	—	—	—
Other toilet provisions (< min. service level)	—	—	—	—	—	—	—	—	—
No toilet provisions	—	—	—	—	—	—	—	—	—
Below Minimum Service Level sub-total	—	—	—	—	—	—	—	—	—
Total number of households	30 851	30 930	31 431	31 450	31 450	31 450	32 423	33 823	34 703
<b>Energy:</b>									
Electricity (at least min. service level)	6 420	7 315	7 138	8 700	8 625	8 625	8 114	8 803	9 092
Electricity - prepaid (min. service level)	13 478	14 390	16 458	17 700	18 370	18 370	19 240	20 132	21 024
Minimum Service Level and Above sub-total	21 898	21 998	23 594	26 400	25 004	25 004	25 354	26 735	26 116
Electricity (< min. service level)	—	—	—	—	—	—	—	—	—
Electricity - prepaid (< min. service level)	—	—	—	1 000	1 000	1 000	—	—	—
Other energy sources	—	—	—	—	—	—	—	—	—
Below Minimum Service Level sub-total	—	—	—	1 000	1 000	1 000	—	—	—
Total number of households	21 898	21 998	23 594	27 400	26 004	26 004	25 354	26 735	26 116
<b>Refuse:</b>									
Removed at least once a week	31 373	31 738	31 829	32 691	32 691	32 691	33 094	34 085	35 105
Minimum Service Level and Above sub-total	31 373	31 738	31 829	32 691	32 691	32 691	33 094	34 085	35 105
Removed less frequently than once a week	—	—	—	—	—	—	—	—	—
Using communal refuse dump	—	—	—	—	—	—	—	—	—
Using own refuse dump	—	—	—	—	—	—	—	—	—
Other rubbish disposal	—	—	—	—	—	—	—	—	—
No rubbish disposal	—	—	—	—	—	—	—	—	—
Below Minimum Service Level sub-total	—	—	—	—	—	—	—	—	—
Total number of households	31 373	31 738	31 829	32 691	32 691	32 691	33 094	34 085	35 105
<b>Households receiving Free Basic Service</b>									
Water (6 kilolitres per household per month)	25 310	25 406	6 543	6 700	6 700	6 700	6 650	6 650	6 650
Sanitation (free minimum level service)	5 852	6 423	6 543	6 700	6 700	6 700	6 650	6 650	6 650
Electricity/other energy (50kwh per household per month)	5 852	6 423	6 543	4 785	4 785	4 785	4 650	4 650	4 650
Refuse (removed at least once a week)	5 852	6 423	6 543	6 700	6 700	6 700	6 650	6 650	6 650
<b>Cost of Free Basic Services provided (R'000)</b>									
Water (6 kilolitres per household per month)	5 470	6 020	6 502	7 723	7 723	7 723	9 231	9 926	10 612
Sanitation (free minimum level service)	5 548	5 349	5 670	5 010	5 010	5 010	6 370	6 753	7 158
Electricity/other energy (50kwh per household per month)	11 585	13 462	14 582	18 909	18 909	18 909	21 104	23 214	25 538
Refuse (removed once a week)	5 903	7 195	7 775	9 174	9 174	9 174	11 591	12 455	13 401
Total cost of FBS provided (minimum social p	28 506	32 046	34 309	41 716	41 716	41 716	48 296	52 348	56 767
<b>Highest level of free service provided</b>									
Property rates (R value threshold)	50 000	100 000	100 000	100 000	100 000	100 000	220 000	220 000	220 000
Water (kilolitres per household per month)	6	6	6	6	6	6	6	6	6
Sanitation (kilolitres per household per month)	4	4	4	4	4	4	4	4	4
Sanitation (R and per household per month)	51	54	58	61	61	61	65	69	73
Electricity (kwh per household per month)	50	50	50	50	50	50	50	50	50
Refuse (average free per week)	210	210	210	210	210	210	210	210	210
<b>Revenue cost of free services provided (R'000)</b>									
Property rates (R 15 000 threshold rebate)	1 712	1 824	1 537	1 965	1 965	1 965	1 672	1 884	2 103
Property rates (other exemptions, reductions and rebates)	27 813	30 454	29 590	26 522	26 522	26 522	35 960	38 118	40 405
Water	13 299	15 549	9 010	9 791	9 791	9 791	10 776	11 648	12 459
Sanitation	4 094	4 779	5 182	6 420	6 420	6 420	6 805	7 214	7 645
Electricity/other energy	13 880	15 296	18 364	20 010	20 010	20 010	22 071	24 630	27 680
Refuse	8 671	9 934	10 992	10 945	10 945	10 945	11 428	12 267	13 210
Municipal Housing - rental rebates	19 179	—	—	—	—	—	—	—	—
Housing - top structure subsidies	—	—	—	—	—	—	—	—	—
Other	—	—	—	—	—	—	—	—	—
Total revenue cost of free services provided	82 941	77 796	74 978	75 283	75 283	75 283	88 909	95 819	103 302



# Explanatory notes to Table A10 - Basic Service Delivery Measurement

1. Table A10 provides an overview of service delivery levels, including backlogs (below minimum service level), for each of the main services.
2. Good progress is being made with the eradication of current services backlogs. Housing remains a challenge.
  - a. Electricity services – the current backlog should be eliminated in two years.
3. The budget provides for 6 650 households to be registered as indigent in 2015/16, and therefore entitled to receiving Free Basic Services. The number is set to increase over the MTREF, especially by poor people seeking economic opportunities.
4. It is anticipated that these Free Basic Services will cost the municipality R48,2 million in 2015/16. This is covered by the municipality's equitable share allocation from national government.
5. In addition to the Free Basic Services, other rates rebates also apply to households.





## Part 2 – Supporting Documentation

### 2.1 Overview of the annual budget process

Section 53 of the MFMA requires the Mayor of the municipality to provide general political guidance in the budget process and the setting of priorities that must guide the preparation of the budget. In addition Chapter 2 of the Municipal Budget and Reporting Regulations states that the Mayor of the municipality must establish a Budget Steering Committee to provide technical assistance to the Mayor in discharging the responsibilities set out in section 53 of the Act.

The Budget Steering Committee consists of the Executive Mayor, Mayoral Committee members, Municipal Manager and senior officials of the municipality, meeting under the chairpersonship of the MMC for Finance.

The primary aims of the Budget Steering Committee are to ensure:

- that the process followed to compile the budget complies with legislation and good budget practices;
- that there is proper alignment between the policy and service delivery priorities set out in the Municipality's IDP and the budget, taking into account the need to protect the financial sustainability of municipality;
- that the municipality's revenue and tariff setting strategies ensure that the cash resources needed to deliver services are available; and
- that the various spending priorities of the different municipal departments are properly evaluated and prioritised in the allocation of resources.

#### 2.1.1 Budget Process Overview

In terms of section 21 of the MFMA the Mayor is required to table in Council ten months before the start of the new financial year (i.e. in August 2014) a time schedule that sets out the process to revise the IDP and prepare the budget.

The Mayor tabled in Council the required IDP and budget time schedule on 27 August 2014. Key dates applicable to the process are:

- **26 September 2014** – Joint strategic planning session of the Mayoral Committee and Executive Management. Aim: to review past performance trends of the capital and operating budgets, the economic realities and to set the prioritisation criteria for the compilation of the 2015/16 MTREF;
- **29 October 2014** – Mayoral directional IDP/Budget speech;
- **September/October 2014** – IDP consultation sessions were held with the ward committees and broader stakeholders (service organisations) to gather information on the "community needs" per ward. This initiative was executed as part of the municipality's 2015/16 IDP review process consultation meetings with ward committees to identify community needs;
- **September/October 2014** – Review of the draft capital budget with reference to the 2015/2016 MTREF and ward committees submit draft ward specific projects;
- **October 2014** – Top management meeting to discuss budget proposals and affordability;
- **November 2014** – Submission of tariff proposals and tariff workshops
- **November 2014** – Workshop on tariffs and tariff related policies;
- **December 2014** – Mid-year review by the BSC of the 2014/2015 progress and review of 2015-2018 draft operational expenditure including financial forecasting and scenario considerations;
- **January 2015** – Tariff finalisation, review budget related policies, discussions on draft 2015/2016 Capex & Opex;
- **23 January 2015** – Council considered the 2014/2015 Mid-year Review;
- **29 January 2015** – Final tariffs and adjustments budget review;



- 2-13 February 2015 – Finalisation of adjustments budget;
- 18 February 2015 – OMAF;
- 12 February 2015 – BSC finalises draft Capex/Opex;
- March 2015 – Budget office finalises budget report;
- 25 March 2015 - Tabling in Council of the draft 2015/16 IDP and 2015/16 MTREF for public consultation;
- 1-30 April 2015 – Draft Budget open to public scrutiny
- 7 – 23 April 2015 – Public consultation – Public meetings for all the wards in the municipal area to present the draft budget to the community.
- 28 April 2015 – LG MTEC3 engagement;
- 30 April 2015 - Closing date for written comments;
- 2 to 11 May 2015 – finalisation of the 2015/16 IDP and 2015/16 MTREF, taking into consideration comments received from the public, comments from National and Provincial Treasury, and updated information from the most recent Division of Revenue Bill and financial framework;
- 4-15 May 2015 – Budget Office compiles final report and schedules
- 14 May 2015 – Re-advertise for budget comments, if applicable
- 18-19 May 2015 – Final review of budget report and schedules
- 21-22 May 2015 – Final budget distribution; and
- 27 May 2015 - Tabling of the 2015/16 MTREF in Council for consideration and approval.

Revised programme to accommodate the further application by Eskom for additional electricity tariff increases:

- 18-22 May 2015 – Budget Office compiles final report and schedules
- 23-24 May 2015 – Final review of budget report and schedules
- 25 May 2015 – Final budget distribution; and
- 28 May 2015 - Tabling of the 2015/16 MTREF in Council for consideration and approval.

#### 2.1.2 IDP and Service Delivery and Budget Implementation Plan

This was the further review of the five year (2012/2017) IDP as adopted by Council in May 2012. The review process started in September 2014 after the tabling of the IDP Process Plan and the Budget Time Schedule for the 2015/16 MTREF in August 2014.

The Municipality's IDP is its principal strategic planning instrument, which directly guides and informs its planning, budget, management and development actions. This framework is rolled out into objectives, key performance indicators and targets for implementation which directly inform the Service Delivery and Budget Implementation Plan. The Process Plan applicable to the fourth revision cycle included the following key IDP processes and deliverables:

- Registration of community needs;
- Compilation of departmental business plans with key performance indicators and targets;
- Financial planning and budgeting process;
- Public participation process;
- Compilation of the SDBIP, and
- The review of the performance management and monitoring processes.

The IDP was taken into a business and financial planning process leading up to the 2015/16 MTREF, based on the approved 2014/2015 MTREF, mid-year review and adjustments budget. The business planning process has subsequently been refined in the light of current economic circumstances and the resulting revenue projections.

With the compilation of the 2015/16 MTREF, each department/function had to review the business planning process, including the setting of priorities and targets after reviewing the mid-year and third quarter performance against the 2014/2015 Departmental Service Delivery and Budget





Implementation Plan. Business planning links back to priority needs and master planning, and essentially informed the detail operating budget appropriations and three-year capital programme.

### 2.1.3 Financial Modelling and Key Planning Drivers

As part of the compilation of the 2015/16 MTREF, extensive financial modelling was undertaken to ensure affordability and long-term financial sustainability. The following key factors and planning strategies have informed the compilation of the 2015/16 MTREF:

- Municipality growth
- Policy priorities and strategic objectives
- Asset maintenance
- Economic climate (trends, inflation, Eskom increases, household debt, migration patterns)
- Performance trends
- The approved 2014/2015 adjustments budget and performance against the SDBIP
- Cash Flow Management Strategy
- Debtor payment levels
- Loan and investment possibilities
- The need for tariff increases versus the ability of the community to pay for services;
- Improved and sustainable service delivery

In addition to the above, the strategic guidance given in National Treasury's MFMA Circulars 74 & 75 has been taken into consideration in the planning and prioritisation process.

### 2.1.4 Community Consultation on the Draft Budget

The draft 2015/16 MTREF was tabled in Council on 25 March 2015 and made available to the community as follows:

Copies of the document could be viewed:

- At the offices of all Area Managers
- All public libraries within the municipality
- At the website: [www.overstrand.gov.za](http://www.overstrand.gov.za)

The tabling of the draft budget was advertised in local newspapers and a copy of the advertisement was placed on the notice boards at municipal offices and libraries. All documents in the appropriate format (electronic and printed) were provided to National Treasury and Provincial Treasury in accordance with section 23 of the MFMA, to provide an opportunity for comment.

A delegation of the municipality, consisting of the Executive Mayor, MMC for Finance, Municipal Manager, all Directors and officials from the Budget Office and Strategic Planning Office, held public meetings for all the wards in the municipal area to present the draft budget to the community. Eleven public meetings were held over the period 7 to 23 April 2015.

Submissions received during the community consultation process and additional information regarding revenue and expenditure and capital projects were considered by the Budget Steering Committee at a meeting held on 5 May 2015 for the finalisation of the 2015/2016 Budget.

Comments from the community and the municipality's responses thereto are included as Annexure I to the final report.

Details of proposed amendments to the draft budget are included in Annexure A of the final report.



## 2.2 Overview of alignment of annual budget with IDP

The Constitution mandates local government with the responsibility to exercise local developmental and cooperative governance. The eradication of imbalances in South African society can only be realised through a credible integrated developmental planning process. Municipalities in South Africa need to utilise integrated development planning as a method to plan future development in their areas and so find the best solutions to achieve sound long-term development goals. A municipal IDP provides a five year strategic programme of action aimed at setting short, medium and long term strategic and budget priorities to create a development platform, which correlates with the term of office of the political incumbents. The plan aligns the resources and the capacity of a municipality to its overall development aims and guides the municipal budget. An IDP is therefore a key instrument which municipalities use to provide vision, leadership and direction to all those that have a role to play in the development of a municipal area. The IDP enables municipalities to make the best use of scarce resources and speed up service delivery. Integrated developmental planning in the South African context is amongst others, an approach to planning aimed at involving the municipality and the community to jointly find the best solutions towards sustainable development. Furthermore, integrated development planning provides a strategic environment for managing and guiding all planning, development and decision making in the municipality. It is important that the IDP developed by municipalities correlate with National and Provincial intent. It must aim to co-ordinate the work of local and other spheres of government in a coherent plan to improve the quality of life for all the people living in that area. Applied to the Municipality, issues of national and provincial importance should be reflected in the IDP of the municipality. A clear understanding of such intent is therefore imperative to ensure that the Municipality strategically complies with the key national and provincial priorities. The aim of this revision cycle was to develop and coordinate a coherent plan to improve the quality of life for all the people living in the area, also reflecting issues of national and provincial importance. One of the key objectives is therefore to ensure that there exists alignment between national and provincial priorities, policies and strategies and the Municipality's response to these requirements.

The national and provincial priorities, policies and strategies of importance include amongst others:

- Green Paper on National Strategic Planning of 2009;
- Government Programme of Action;
- Development Facilitation Act of 1995;
- Provincial Growth and Development Strategy (GGDS);
- National and Provincial spatial development perspectives;
- Relevant sector plans such as transportation, legislation and policy;
- National Key Performance Indicators (NKPis);
- Accelerated and Shared Growth Initiative (ASGISA);
- National 2015 Vision;
- National Spatial Development Perspective (NSDP);
- The National Priority Outcomes; and
- National Development Plan

The Constitution requires local government to relate its management, budgeting and planning functions to its objectives. This gives a clear indication of the intended purposes of municipal integrated development planning. Legislation stipulates clearly that a municipality must not only give effect to its IDP, but must also conduct its affairs in a manner which is consistent with its IDP. The following table highlights the IDP's five strategic objectives for the 2015/16 MTREF and further planning refinements that have directly informed the compilation of the budget:

Table 27 IDP Strategic Objectives

2015/16 MTREF
The provision of democratic, accountable and ethical governance



The provision and maintenance of municipal services
The encouragement of structured community participation in the matters of the municipality
The creation and maintenance of a safe and healthy environment
The promotion of tourism, economic and social development

In order to ensure integrated and focused service delivery between all spheres of government it was important for the Municipality to align its budget priorities with that of national and provincial government. All spheres of government place a high priority on infrastructure development, economic development and job creation, efficient service delivery, poverty alleviation and building sound institutional arrangements.

Local priorities were identified as part of the IDP review process which is directly aligned to that of the national and provincial priorities. The key performance areas can be summarised as follows against the five strategic objectives:

Provision of quality basic services and infrastructure which includes, amongst others:

- o Provide electricity;
- o Provide water;
- o Provide sanitation;
- o Provide waste removal;
- o Provide housing;
- o Provide roads and storm water;
- o Provide municipality planning services; and
- o Maintaining the infrastructure of the Municipality.

Economic growth and development that leads to sustainable job creation by:

- o Ensuring there is a clear structural plan for the Municipality;
- o Ensuring planning processes function in accordance with set timeframes;
- o Facilitating the use of labour intensive approaches in the delivery of services and the building of infrastructure.

Fight poverty and build clean, healthy, safe and sustainable communities:

- o Effective implementation of the Indigent Policy;
- o Extending waste removal services and ensuring effective municipality cleansing;
- o Ensuring all waste water treatment works are operating optimally;
- o Working with strategic partners such as SAPS to address crime;
- o Ensuring safe working environments by effective enforcement of building and health regulations;
- o Promote viable, sustainable communities through proper zoning; and
- o Promote environmental sustainability by protecting wetlands and key open spaces.

Integrated Social Services for empowered and sustainable communities

- o Work with provincial departments to ensure the development of community infrastructure such as schools and clinics is properly co-ordinated with the informal settlements upgrade programme

Foster participatory democracy and Batho Pele principles through a caring, accessible and accountable service by:

- o Optimising effective community participation in the ward committee system;
- o Implementing Batho Pele in the revenue management strategy.





Promote sound governance through:

- o Publishing the outcomes of all tender processes on the municipal website

Ensure financial sustainability through:

- o Reviewing the use of contracted services
- o Continuing to implement the infrastructure maintenance strategy and the repairs and maintenance plan

Optimal institutional transformation to ensure capacity to achieve set objectives

- o Review of the organisational structure to optimize the use of personnel;

In line with the MSA, the IDP constitutes a single, inclusive strategic plan for the Municipality. The five-year programme responds to the development challenges and opportunities faced by the Municipality by identifying the key performance areas to achieve the five the strategic objectives mentioned above.

In addition to the five-year IDP, the Municipality undertakes an extensive planning and developmental strategy which primarily focuses on a longer-term horizon; 15 to 20 years for infrastructure planning. This process is aimed at influencing the development path to restructure current patterns of settlement, activity and access to resources in the Municipality so as to promote greater equity and enhanced opportunity. It provides direction to the Municipality's IDP, associated sectorial plans and strategies, and the allocation of resources of the Municipality and other service delivery partners.

This development strategy introduces important policy shifts which have further been translated into seven strategic focus areas/objectives as outlined below:

- Developing dormant areas;
- Enforcing hard development lines – so as to direct private investment;
- Maintaining existing urban areas;
- Strengthening key economic clusters;
- Building social cohesion;
- Strong developmental initiatives in relation to the municipal institution as a whole; and
- Sound financial fundamentals.

Lessons learned with previous IDP revision and planning cycles as well as changing environments were taken into consideration in the compilation of the revised IDP of the 2012/2017 cycle, including:

- Strengthening the analysis and strategic planning processes of the Municipality;
- Initiating zonal planning processes that involve the communities in the analysis and planning processes. More emphasis was placed on area based interventions, within the overall holistic framework;
- Ensuring better coordination through a programmatic approach and attempting to focus the budgeting process through planning interventions; and
- Strengthening performance management and monitoring systems in ensuring the objectives and deliverables are achieved.

The 2015/16 MTREF has therefore been directly informed by the IDP revision process and the following tables provide a reconciliation between the IDP strategic objectives and operating revenue, operating expenditure and capital expenditure.



Table 28 MBRR Table SA4 - Reconciliation between the IDP strategic objectives and budgeted revenue

Strategic Objective	Goal	Goal Code	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R Overview											
The provision of democratic, accountable and ethical governance	Good Governance	1	187 923	222 385	195 524	181 801	232 813	232 813	202 884	272 564	268 528
The provision and maintenance of municipal services	Basic Service Delivery	2	868 833	481 155	488 134	588 188	540 568	540 588	621 421	638 708	888 447
The encouragement of structured community participation in the matters of the municipality	Good Governance	3	18 323	41 487	62 332	53 328	44 557	44 557			
The creation and maintenance of a safe and healthy environment	Safe and Healthy Environment	4	10 348	20 206	28 628	12 882	36 170	36 170	37 737	38 273	40 323
The promotion of tourism, economic and social development	Economic Development and Social upliftment	5	5 826	7 763	11 427	11 854	14 191	14 191	64 187	64 773	73 267
<b>Total Revenue (including capital transfers and contributions)</b>			<b>948 814</b>	<b>762 946</b>	<b>787 937</b>	<b>828 842</b>	<b>867 900</b>	<b>867 900</b>	<b>958 388</b>	<b>1 054 088</b>	<b>1 101 525</b>

Table 29 MBRR Table SA5 - Reconciliation between the IDP strategic objectives and budgeted operating expenditure

Strategic Objective	Goal	Goal Code	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R Overview											
The provision of democratic, accountable and ethical governance	Good Governance	1	190 332	268 348	118 515	93 256	124 670	124 670	238 543	348 313	267 588
The provision and maintenance of municipal services	Basic Service Delivery	2	270 958	346 423	648 042	827 815	533 688	533 688	578 367	623 729	677 326
The encouragement of structured community participation in the matters of the municipality	Good Governance	3	188 807	187 754	181 802	83 289	83 253	83 253	1 735		
The creation and maintenance of a safe and healthy environment	Safe and Healthy Environment	4	36 252	48 275	64 228	58 208	79 867	79 087	78 485	78 487	82 821
The promotion of tourism, economic and social development	Economic Development and Social upliftment	5	75 378	64 271	58 637	28 908	132 634	132 634	72 486	65 857	72 987
<b>Total Expenditure</b>			<b>742 525</b>	<b>752 279</b>	<b>832 622</b>	<b>969 588</b>	<b>650 322</b>	<b>650 322</b>	<b>894 528</b>	<b>1 037 493</b>	<b>1 098 292</b>

Table 30 MBRR Table SA6 - Reconciliation between the IDP strategic objectives and budgeted capital expenditure

Strategic Objective	Goal	Goal Code	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R Overview											
The provision of democratic, accountable and ethical governance	Good Governance	1	24 347	7 154	27 358	16 872	17 778	17 778	5 548	5 738	-
The provision and maintenance of municipal services	Basic Service Delivery	2	127 588	101 792	73 385	54 300	26 581	26 581	58 223	45 328	48 581
The encouragement of structured community participation in the matters of the municipality	Good Governance	3	8 488	30 218	39 807	21 913	27 425	27 425	5 488		
The creation and maintenance of a safe and healthy environment	Safe and Healthy Environment	4	848	-	-	-	-	-	268	-	-
The promotion of tourism, economic and social development	Economic Development and Social upliftment	5	1 521	2 421	5 686	3 088	8 303	8 303	25 473	48 588	65 174
<b>Total Capital Expenditure</b>			<b>162 272</b>	<b>142 584</b>	<b>136 836</b>	<b>97 721</b>	<b>117 588</b>	<b>117 588</b>	<b>102 914</b>	<b>104 888</b>	<b>103 881</b>



## 2.3 Measurable performance objectives and indicators

Performance Management is a system intended to manage and monitor service delivery progress against the identified strategic objectives and priorities. In accordance with legislative requirements and good business practices as informed by the National Framework for Managing Programme Performance Information, the Municipality has developed and implemented a performance management system of which system is constantly refined as the integrated planning process unfolds. The Municipality targets, monitors, assesses and reviews organisational performance which in turn is directly linked to individual employee's performance.

At any given time within government, information from multiple years is being considered; plans and budgets for next year; implementation for the current year; and reporting on last year's performance. Although performance information is reported publicly at each quarter, the performance information process begins when policies are being developed, and continues through each of the planning, budgeting, implementation and reporting stages. The planning, budgeting and reporting cycle can be graphically illustrated as follows:

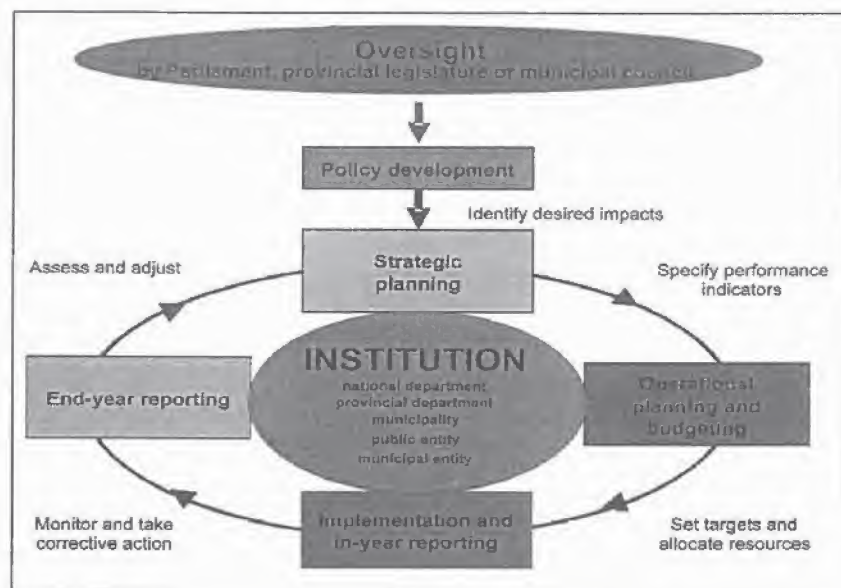


Figure 4 Planning, budgeting and reporting cycle

The performance of the Municipality relates directly to the extent to which it has achieved success in realising its goals and objectives, complied with legislative requirements and meeting stakeholder expectations. The Municipality therefore has adopted one integrated performance management system which encompasses:

- Planning (setting goals, objectives, targets and benchmarks);
- Monitoring (regular monitoring and checking on the progress against plan);
- Measurement (indicators of success);
- Review (identifying areas requiring change and improvement);
- Reporting (what information, to whom, from whom, how often and for what purpose); and
- Improvement (making changes where necessary).



The performance information concepts used by the Municipality in its integrated performance management system are aligned to the *Framework of Managing Programme Performance Information* issued by the National Treasury:



Figure 5 Definition of performance information concepts

The following table provides the main measurable performance objectives the municipality undertakes to achieve this financial year.



Table 31 MBRR Table SA7 - Measurable performance objectives

Description	Unit of measurement	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year +1 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
<b>Council</b>										
Council and Municipal Manager										
Municipal Manager										
Risk based audit plan approved by the Audit Committee by the end of June 2016	Plan approved	1	1	1	1	1	1	1	1	1
Quarterly report to the Management, Executive Mayor, Auditor-General and Audit Committee on progress with implementation of key controls as identified in key control deficiencies	Quarterly reports submitted on achievement of committed direct	1	1	1	4	4	4	4	4	4
Submit quarterly progress reports on the revision of the top 10 risks as a corrective action to the Executive Management Team	Number of progress reports submitted	1	1	1	4	4	4	4	4	4
Percentage of a municipality's capital budget actually spent on capital projects identified for a particular financial year in terms of the municipality's OP (Actual amount spent on projects as identified for the year in the OP/Total amount spent on capital projects)(100)	% of capital budget spent	91.80%	98.00%	93.77%	98%	98%	98%	98%	98%	98%
<b>Management Services</b>										
Director: Management Services										
Municipal Resources										
90% of the approved and funded organogram filled (actual number of posts filled divided by the funded posts budgeted x 100)	% Mop	91.26%	92.85%	92.61%	90%	90%	90%	90%	90%	90%
The number of people from employment equity target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan	The number of people from EE target groups employed	4	2	no kpi set	54	54	54	54	54	54
The percentage of a municipality's budget (training budget) actually spent on implementing its workplace skills plan	% of the training budget spent on implementation of the WSP	100%	100%	100%	100%	100%	100%	100%	100%	100%
Review the Municipal Organisational Staff Structure by the end of June	Structure reviewed	no kpi set	no kpi set	1%	100%	100%	100%	100%	100%	100%
Review the Section 14 Access to Information Manual by the end of June to ensure compliant and up to date policies	Policy revised	100%	100%	100%	100%	100%	100%	100%	100%	100%
Provide legal assistance and input on policies, contracts, agreements, legislation	Number of responses to legal	no kpi set	no kpi set	no kpi set	no kpi set	no kpi set	no kpi set	120	120	120
Monthly Report on additional court matters	Number of reports on court matter	no kpi set	no kpi set	no kpi set	no kpi set	no kpi set	no kpi set	24	24	24
Establishment of LDAC (Local Drug Action Committee) in terms of the Prevention and Treatment of Substance Abuse Act by August 2015	Established LDAC	no kpi set	no kpi set	no kpi set	no kpi set	no kpi set	no kpi set	1	0	0
<b>Finance</b>										
Director: Finance										
Director: Finance										
Operating expenditure (Available cash+ investments)/ Monthly fixed operating expenditure	Ratio achieved	5.17%	3.40%	2.30%	1.2	1.2	1.2	1	1	1
Service debt obligations (Total operating revenue-deducting grants received)/total service payments due within the year (%)	Ratio achieved	18.80%	17.48%	18.90%	17	17	17	17	17	17
Financial liability measured in terms of the outstanding service debtors (Total outstanding service debtors/ revenue received for services)	% achieved	11.00%	11.90%	10.40%	12	12	12	12.2	12.2	12.2
Appointment of a service provider to submit a reviewed long term financial plan by the end of June 2015	Reviewed plan approved	no kpi set	no kpi set	no kpi set	1	1	1	1	0	0
Financial statements submitted to the Auditor General by 31 August 2015	Financial statements submitted	1	1	1	1	1	1	1	1	1
Provision of free basic electricity, refuse removal, sanitation and water in terms of the equitable share requirements	Number of households	5477	6323	6536	6580	6580	6580	6650	6650	6650
<b>Revenue</b>										
Achieve a debt recovery rate not less than 95%	% Recovered	no kpi set	100.44%	100.33%	95%	95%	95%	95.0%	95.0%	95.0%
<b>Protection Services</b>										
Director: Protection Services										
Director: Protection Services										
Annually review Community Safety Plan by the end of June in conjunction with the Department of Community Safety	Plan reviewed	1	1	1	1	1	1	1	1	1
Arrange public awareness sessions on Protection Services	Number of sessions held	57	60	55	32	32	32	32	32	32
Chairman and Fire Management										
Annually review and submit Disaster Management Plan to the District by the end of June	Reviewed plan submitted	1	1	1	1	1	1	1	1	1
Annually review the Fire Management Plan by the end of June	Plan reviewed	1	1	1	1	1	1	1	1	1
<b>Tax</b>										
Normal collection of public safety income for the financial year	Rx Abuse of public safety	4 893 128	5 735 942	5 54 575	10 000 000	10 000 000	10 000 000	10 000 000	10 000 000	10 000 000



Description	Unit of measurement	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
<b>Community Services</b>										
Director: Community Services										
Director: Community Services										
Water committee meetings held to facilitate consistent and regular communication with residents	No of water committee meetings held per ward per annum	8	8	9	8	8	8	8	8	8
98% of the operational conditional grant (Loranes, COM) spent (Actual expenditure divided by the total grant received)	% of total conditional operational grants spent (Loranes, COM)	100.0%	100.0%	100.43%	98%	96%	98%	96%	98%	98%
m <sup>2</sup> of road pitched (works orders) and released according to approved Pavement Management System within available budget	m <sup>2</sup> of roads pitched (works orders) and released	171344	218182	101880	120000	120000	120000	100000	100000	100000
Quality of effluent comply 90% with SANS 241	% compliance	88.60%	88.02%	82.18%	90%	90%	90%	90%	90%	90%
Quality of potable water comply 95% with SANS 241	% compliance	no kip sat	no kip sat	92.38%	95%	95%	95%	95%	95%	95%
Leak unaccounted water to less than 25% (Number of liter per water purified - Number of liter sold)(Number of liter sold x 100)	% of water unaccounted for	27.25%	25.57%	21.5%	25%	25%	25%	25%	25%	25%
Provision of water to informal households with access within a 200 m radius	No of informal households that have access to water within a 200 m radius	3563	no kip sat	no kip sat	3406	3406	3406	3152	3152	3152
Provision of piped water to all formal households that meet agreed service standards for piped water	No of formal households that meet agreed service standards for piped water	23686	23426	27373	28077	28077	28077	32480	33638	34438
Provision of refuse removal, refuse dumps and solid waste disposal to all formal households at least once a week	Number of formal households to which refuse is removed at least once a week	32265	no kip sat	34299	32697	32697	32697	33094	34985	35105
Provision of refuse removal, refuse dumps and solid waste disposal to all informal households at least once a week	Number of informal households to which refuse is removed at least once a week	3665	no kip sat	no kip sat	3406	3406	3406	3152	3152	3152
The provision of sanitation services to informal households based on the standard of 1 toilet to 5 households	No of informal households that have access to sanitation based on the standard of 1 toilet to 5 households	3565	no kip sat	no kip sat	3406	3406	3406	3152	3152	3152
Provision of sanitation services to formal residential households	No of formal residential households which are billed for sewerage in accordance to the SAMRAS financial system	30016	31027	31231	31002	31002	31002	32480	33638	34438
<b>Local Economic Development</b>										
Director: LED										
LED										
Report annually to the Portfolio committee on LED and Tourism activities	Quarterly report on marketing tools	no kip sat	no kip sat	no kip sat	4	4	4	2	2	2
Report on Grants to beneficiaries through Service Level Agreements (SLA) by end August 2015	Number of reports submitted	no kip sat	no kip sat	no kip sat	no kip sat	no kip sat	no kip sat	1	1	1
Develop and implement an SME Development Programme	Number of SME's supported	55	23	45	no kip sat	no kip sat	no kip sat	30	30	30
Financial and non-financial resource mobilised	Number of MDU's entered into and amount generated	no kip sat	no kip sat	no kip sat	2	2	2	1	3	3
Report quarterly to Director LED on linkages established with other spheres of government, agencies, donors, SALGA and other relevant bodies for benefit of local area	Quarterly report on linkages established	no kip sat	no kip sat	no kip sat	4	4	4	4	4	4
The number of job opportunities created through the EMPW programme and as per set targets (grant agreement - FTE's, translate to 336 work opportunities)	Number of temporary jobs created	204	509	517	287	287	287	296	298	288
Monthly update the LED Work Cases for outreach & referral outcomes	Number of registers on LED outreach activities (work in progress)	no kip sat	no kip sat	no kip sat	no kip sat	no kip sat	no kip sat	12	12	12
Compile an action plan to improve on the LED maturity	Plan completed	no kip sat	no kip sat	no kip sat	2	2	2	2	2	2
<b>Infrastructure &amp; Planning</b>										
Director: Infrastructure and Planning										
Director: Infrastructure and Planning										
Limit electricity losses to 5% or less (Number of Electricity Units Purchased - Number of Electricity Units Sold) / Number of Electricity Units Purchased and/or Generated x 100	% of electricity unaccounted for	7.10%	6.88%	5.95%	8.5%	8.5%	8.9%	8%	8%	8%
Provision of Electricity: Number of metered electric connections in formal area (Eskom Areas excluded)	Number of formal households that meet agreed service standards	20804	no kip sat	25761	21998	21998	21998	25354	26705	26116
<b>Green Fleet Management</b>										
Achieve 160 Green Drop awards	Number of awards	no kip sat	0	4	2	2	2	2	2	2
Achieve 5 Blue Drop awards	Number of awards	no kip sat	no kip sat	no kip sat	8	8	8	5	5	5
<b>Water</b>										
Report on the implementation of the Water Service Development plan annually by the end of October 2015	Report submitted	1	1	1	1	1	1	1	1	1
<b>Planning and Development</b>										
Municipal Infrastructure Grant (MIG) - % expenditure	% expenditure of allocated grant	no kip sat	no kip sat	no kip sat	no kip sat	no kip sat	no kip sat	100%	100%	100%

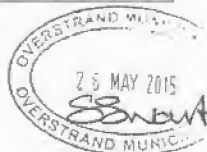
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The following table sets out the municipalities main performance objectives and benchmarks for the 2015/16 MTREF.

Table 32 MBRR Table SA8 - Performance indicators and benchmarks

Description of financial indicator	Basis of calculation	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b><u>Borrowing Management</u></b>										
Credit Rating										
Capital Charges to Operating Expenditure	Interest & Principal Paid / Operating Expenditure	6.2%	5.8%	7.3%	7.6%	7.3%	7.0%	7.3%	7.1%	7.0%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing / Own Revenue	8.2%	7.7%	9.1%	9.1%	8.7%	8.7%	8.8%	8.5%	8.3%
Borrowed funding of own capital expenditure	Borrowing/Capital expenditure excl transfers and grants and contributions	117.8%	45.1%	59.8%	74.2%	78.7%	78.7%	73.8%	35.2%	38.5%
<b><u>Safety of Capital</u></b>										
Debtors	Long Term Borrowings/ Funds & Reserves	17772.8%	19277.5%	16300.6%	21294.8%	18045.6%	18045.6%	15774.5%	15302.7%	14888.6%
<b><u>Liquidity</u></b>										
Current Ratio	Current assets/current liabilities	1.7	1.3	1.2	1.3	1.4	1.4	1.2	1.3	1.4
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 day /current liabilities	1.7	1.3	1.0	1.1	1.2	1.2	1.1	1.2	1.3
Liquidity Ratio	Monetary Assets/Current Liabilities	0.9	0.5	0.4	0.8	0.8	0.8	0.8	0.7	0.8
<b><u>Revenue Management</u></b>										
Annual Debtors Collection Rate (Payment Less w/ %)	Last 12 Mths Receivables / Last 12 Mths Billing		105.0%	81.5%	103.1%	98.6%	98.3%	0.0%	101.2%	99.5%
Current Debtors Collection Rate (Cash receipts % of Receivables & Other revenue)		104.9%	91.9%	103.1%	98.6%	99.9%	98.8%	101.2%	99.9%	99.3%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	14.8%	14.4%	13.5%	12.4%	13.3%	13.3%	10.7%	9.7%	9.8%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old	86.7%	90.3%	97.2%	100.3%	100.3%	100.3%	96.5%	96.3%	98.5%
<b><u>Creditors Management</u></b>										
Creditors System Efficiency	% of Creditors Paid Within Terms (within MPRMA's 60 day)	89.8%	100.0%	97.8%	95.0%	96.0%	95.0%	98.0%	98.0%	96.0%
Creditors to Cash and Investments		89.9%	85.2%	87.4%	81.4%	88.5%	86.5%	76.1%	85.8%	80.3%
<b><u>Other Indicators</u></b>										
Electricity Distribution Losses (2)	Total Volume Losses (kWh)	16012855	15831477	13688967	15888000	15888000	15888000	13 667 000	13 565 498	13 564 000
	Total Cost of Losses (Rand '000)	6 513	7 101	7 028	9 127	9 127	9 127	7 827	7 828	7 825
	% Volume (units purchased and generated less units sold)/units purchased and generated	7.12%	6.91%	5.99%	6.67%	6.67%	6.67%	5.95%	5.94%	5.93%
	Total Volume Losses (kWh)	1 429	1 448	1 438	1 478	1 478	1 478	1 483	1 481	1 449
Water Distribution Losses (2)	Total Cost of Losses (Rand '000)	2691622	3529726	3726220	3085	3085	3085	4272	4264	4260
	% Volume (units purchased and generated less units sold)/units purchased and generated	20.36%	20.01%	21.47%	20.22%	20.22%	20.22%	20.16%	20.05%	20.00%
Employee costs	Employee costs/(Total Revenue - capital revenue)	34.3%	32.9%	35.4%	35.7%	34.1%	34.1%	32.8%	31.4%	31.5%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	35.9%	35.9%	38.5%	38.8%	35.1%	35.1%	33.5%	32.3%	32.4%
Repairs & Maintenance	RSM/(Total Revenue ex cluding capital revenue)	10.9%	16.3%	20.4%	20.7%	20.1%	20.1%	13.5%	12.0%	12.7%
Finance charges & Depreciation	FO&D/(Total Revenue - capital revenue)	22.7%	20.1%	18.9%	19.7%	18.5%	18.5%	17.7%	16.9%	16.8%
<b><u>IDP regulation financial stability indicators</u></b>										
I Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year	24.0	22.8	22.7	34.8	24.8	24.8	22.4	22.1	23.8
II O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	16.9%	17.9%	15.9%	14.2%	15.7%	15.7%	12.9%	11.8%	11.4%
III Cost coverage	(Available cash - investments)/monthly fixed operational ex penditure	3.1	1.8	1.2	1.8	1.5	1.5	1.5	1.9	2.4



### 2.3.1 Performance indicators and benchmarks

#### 2.3.1.1 Borrowing Management

Capital expenditure in local government can be funded by capital grants, own-source revenue and long term borrowing. The ability of a municipality to raise long term borrowing is largely dependent on its creditworthiness and financial position. As with all other municipalities, Overstrand's borrowing strategy is primarily informed by the affordability of debt repayments. The structure of the Municipality's debt portfolio is dominated by annuity loans. The following financial performance indicators have formed part of the compilation of the 2015/16 MTREF:

- *Capital charges to operating expenditure* is a measure of the cost of borrowing in relation to the operating expenditure. It can be seen that the cost of borrowing will steadily reduce over the MTREF to 7 per cent. While borrowing is considered a prudent financial instrument in financing capital infrastructure development, this indicator will have to be carefully monitored going forward as the Municipality had reached its prudential borrowing limits in 2012.
- *Borrowing funding of own capital expenditure* measures the degree to which own capital expenditure (excluding grants and contributions) has been funded by way of borrowing. The average over the MTREF is 85 per cent which indicates the limited amount available from own sources to finance capital. This is as a result of utilising any surpluses as they become available in the past.

In summary, various financial risks could have a negative impact on the future borrowing capacity of the municipality. In particular, the continued ability of the Municipality to meet its revenue targets and ensure its forecasted cash flow targets are achieved will be critical in meeting the repayments of the debt service costs. As part of the compilation of the 2011/2012 MTREF the potential of smoothing out the debt profile over the longer term was investigated and borrowing was capped in the borrowing policy. The gearing on borrowing will be reduced by 10 per cent over a period of ten years as started in 2012.

#### 2.3.1.2 Safety of Capital

- *The gearing ratio* is a measure of the total long term borrowings over funds and reserves. This ratio is not conducive to the GRAP accounting framework due to the low amount of reserves.

#### 2.3.1.3 Liquidity

- *Current ratio* is a measure of the current assets divided by the current liabilities and as a benchmark the Municipality has set a bottom limit of 1.2, therefore at no point in time should this ratio be less than 1.2. Over the 2015/16 MTREF the current ratio is 1.3. National Treasury has set a current ratio minimum of 1.5 in circular 71. Going forward it will be necessary to increase this ratio, notwithstanding that it will tie up cash needed for capital investment.
- *The liquidity ratio* is a measure of the ability of the municipality to utilize cash and cash equivalents to extinguish or retire its current liabilities immediately. Ideally the municipality should have the equivalent cash and cash equivalents on hand to meet at least the current liabilities, which should translate into a liquidity ratio of 1. Overstrand Municipality's liquidity ratio is at an average of 0.73 over the MTREF, up from 0.6 in the previous MTREF. This includes consumer deposits and provisions which are not likely to be realised in the short term. Consideration should be given to exclude a vast portion of consumer deposits. With the former mentioned items excluded, this ratio would be 1.1 over the MTREF. As part of the longer term financial planning objectives this ratio will have to be set at a minimum of 1.1, notwithstanding that it will tie up cash needed for capital investment.



#### Revenue Management

- As part of the financial sustainability strategy, an aggressive revenue management framework has been implemented to increase cash inflow, not only from current billings but also from debtors that are in arrears in excess of 90 days. The intention of the strategy is to streamline the revenue value chain by ensuring accurate billing, customer service, credit control and debt collection.

#### 2.3.1.4 Creditors Management

- The Municipality has managed to ensure that creditors are settled within the legislated 30 days of invoice. While the liquidity ratio is of concern, by applying daily cash flow management the municipality has managed to ensure compliance to this legislative obligation. This has had a favourable impact on suppliers' perceptions of risk of doing business with the Municipality, which is expected to benefit the Municipality in the form of more competitive pricing of tenders, as suppliers compete for the Municipality's business.

#### 2.3.1.5 Other Indicators

- The electricity distribution losses have been managed downwards from 8.3 per cent in the 2010/2011 financial year to 5.9 per cent over the MTREF. This includes measureable technical losses. The initiatives to ensure these targets are achieved include managing illegal connections, regular meter audits and managing theft of electricity by rolling out smart metering systems, including prepaid meters. It should be noted that technical losses range between 3 – 5 per cent over the Overstrand area. When taking this into consideration it is evident that distribution losses are well managed.
- The water distribution losses have been significantly reduced from 27.4 per cent in 2009/10 to 20 per cent in 2014/2015. This has been achieved with investing in the upgrading of water reticulation infrastructure, which is set to continue over the MTREF. Active attention is also given to reported leaks by the public and a further measure is to install flow limiters.
- Employee costs as a percentage of operating revenue remains stable, with an indication of a decrease over the MTREF. This is primarily owing to the virtually zero expansion of the personnel structure, high increase in bulk purchases which directly increase revenue levels, as well as increased allocation relating to operating grants and transfers.
- In real terms, repairs and maintenance has increased as part of the municipality's strategy to ensure the management of its asset base

#### 2.3.2 Free Basic Services: basic social services package for indigent households

The social package assists residents that have difficulty paying for services and are registered as indigent households in terms of the Indigent Policy of the Municipality. Only registered indigents qualify for the free basic services.

For the 2015/16 financial year 6900 registered indigents have been provided for in the budget. In terms of the municipality's indigent policy, registered households are entitled to 6kℓ free water and 50 kWh of electricity, are fully subsidised for basic charges for services and 4,2kℓ sanitation. Household with a property valuation of R220 000 qualify upon registration as indigents.

Further detail relating to the number of households receiving free basic services, the cost of free basic services, highest level of free basic services as well as the revenue cost associated with the free basic services is contained in Table 26 MBRR A10 (Basic Service Delivery Measurement) on page 41.





Note that the number of households in informal areas that receive free services and the cost of these services (e.g. the provision of water through stand pipes) are not taken into account in the table noted above due to the measuring criteria.

### 2.3.3 Providing clean water and managing waste water

The Department of Water Affairs conducts bi-annual performance rating of water and sewage treatment works, presenting a Blue Drop or Green Drop award respectively to potable water treatment works and waste water treatment works that meet certain criteria of excellence.

The municipality has achieved Blue Drop and Green Drop awards during the latest review, indicating that the municipality's drinking water is of exceptional quality.

The following is briefly the challenges facing the municipality:

- Some infrastructure is old and insufficient to treat the increased volumes of waste water to the necessary compliance standard;
- Shortage of skilled personnel makes proper operations and maintenance difficult;

## 2.4 Overview of budget related-policies

The Municipality's budgeting process is guided and governed by relevant legislation, frameworks, strategies and related policies.

### 2.4.1 Customer Care, Credit Control and Debt Collection Policy

The 2015/16 MTREF has been prepared on the basis of achieving an average debtors' collection rate in excess of 99 per cent on current billings. The current collection rate is in excess of 99 per cent. In addition the collection of debt in excess of 90 days has been prioritised.

### 2.4.2 Asset Management Policy

The Asset Management Policy is considered a strategic guide in ensuring a sustainable approach to asset renewal, repairs and maintenance. In addition the policy prescribes the accounting and administrative policies and procedures relating to property, plant and equipment (fixed assets).

A proxy for asset consumption can be considered the level of depreciation each asset incurs on an annual basis. Preserving the investment in existing infrastructure needs to be considered a significant strategy in ensuring the future sustainability of infrastructure and the revenue base.

### 2.4.3 Budget Policy

The budget process is governed by various provisions in the MFMA and is aimed at instilling and establishing an increased level of discipline, responsibility and accountability in the financial management practices of municipalities. To ensure that the Municipality continues to deliver on its core mandate and achieves its developmental goals, the mid-year review and adjustment budget process will be utilised to ensure that underperforming functions are identified and funds redirected to performing functions.

### 2.4.4 Supply Chain Management Policy



The Supply Chain Management Policy was adopted by Council in 2008. The policy is continually revised to incorporate amending legislation.

#### 2.4.5 Virement Policy

The Virement Policy aims to empower senior managers with an efficient financial and budgetary amendment and control system to ensure optimum service delivery within the legislative framework of the MFMA and the Municipality's system of delegations.

#### 2.4.6 Investment & Cash Management Policy

The aim of the policy is to ensure that the Municipality's surplus cash and investments are adequately managed, especially the funds set aside for the cash backing of certain reserves.

#### 2.4.7 Tariff Policy

The Municipality's tariff policies provide a broad framework within which the Council can determine fair, transparent and affordable charges that also promote sustainable service delivery.

#### 2.4.8 Long term Financial Planning & Implementation Policy

Funding for the compiling of a The Long term Financial Planning Policy has been acquired from the Provincial Government. A long term financial plan report has been compiled in 2014/15, after a service provider had been appointed.

#### 2.4.9 Contract Management Policy

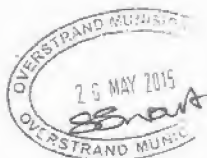
This policy has been introduced to further enhance the supply chain management function.

#### 2.4.10 Pay Day Policy

This policy has been introduced to give effect to the council resolution in this regard.

The following policies have also been subject to review:

- Property Rates Policy;
- Funding and Reserves Policy;
- Borrowing Policy;
- Indigent Policy;
- Travelling & Subsistence;
- Petty Cash



## 2.5 Overview of budget assumptions

### 2.5.1 External factors

The effects of recession are still evident. After a protracted standstill in interest rates, this increased by 25 basis points recently. Upwards pressure is also evident in the inflation rate and the Rand continues to weaken against leading currencies. International oil prices are rising after a significant decrease over the previous months.

### 2.5.2 General inflation outlook and its impact on the municipal activities

There are five key factors that have been taken into consideration in the compilation of the 2015/16 MTREF:

- National Government macro-economic targets;
- The general inflationary outlook and the impact on Municipality's residents and businesses;
- The impact of municipal cost drivers;
- The increase in prices for bulk electricity and fuel; and
- The increase in the cost of remuneration. Employee related costs comprise 30 per cent of total operating expenditure in the 2015/16 MTREF and therefore increases above inflation places a disproportionate upward pressure on the expenditure budget

### 2.5.3 Interest rates for borrowing and investment of funds

The MFMA specifies that borrowing can only be utilised to fund capital or refinancing of borrowing in certain conditions. The municipality chiefly engages in amortisation-style loans requiring both regular principal and interest payments. Surplus cash is invested and re-invested at short intervals.

### 2.5.4 Collection rate for revenue services

The base assumption is that tariff and rating increases will increase at a rate linked to CPI over the medium term, except electricity. It is also assumed that current economic conditions, and relative inflationary conditions, will continue for the forecasted term.

The rate of revenue collection is currently expressed as a percentage (99 per cent) of annual billings. Cash flow is assumed to be 99,5 per cent of billings from an increased collection of arrear debt.

### 2.5.5 Growth or decline in tax base of the municipality

Debtors' revenue is assumed to increase at a rate that is influenced by the consumer debtors' collection rate, tariff/rate pricing, real growth rate of the Municipality, household formation growth rate and the poor household change rate.

Household formation is the key factor in measuring municipal revenue and expenditure growth, as servicing 'households' is a greater municipal service factor than servicing individuals. Household formation rates are assumed to convert to household dwellings. In addition the change in the number of poor households influences the net revenue benefit derived from household formation growth, as it assumes that the same costs incurred for servicing the household exist, but that no consumer revenue is derived as the 'poor household' mainly limits consumption to the level of free basic services.





### 2.5.6 Salary increases

The collective agreement regarding salaries/wages ends at 30 June 2015. Wage negotiations for 2015/16 are still underway in the Bargaining Council.

### 2.5.7 Impact of national, provincial and local policies

Integration of service delivery between national, provincial and local government is critical to ensure focussed service delivery and in this regard various measures were implemented to align IDPs, provincial and national strategies around priority spatial interventions. In this regard, the following national priorities form the basis of all integration initiatives:

- Creating jobs;
- Enhancing education and skill development;
- Improving Health services;
- Rural development and agriculture; and
- Fighting crime and corruption.

To achieve these priorities integration mechanisms are in place to ensure integrated planning and execution of various development programs. The focus will be to strengthen the link between policy priorities and expenditure thereby ensuring the achievement of the national, provincial and local objectives.

### 2.5.8 Ability of the municipality to spend and deliver on the programmes

It is estimated that a spending rate of at least 99 per cent is achieved on operating expenditure and 95 per cent on the capital programme for the 2015/16 MTREF.

## 2.6 Overview of budget funding

### 2.6.1 Medium-term outlook: operating revenue

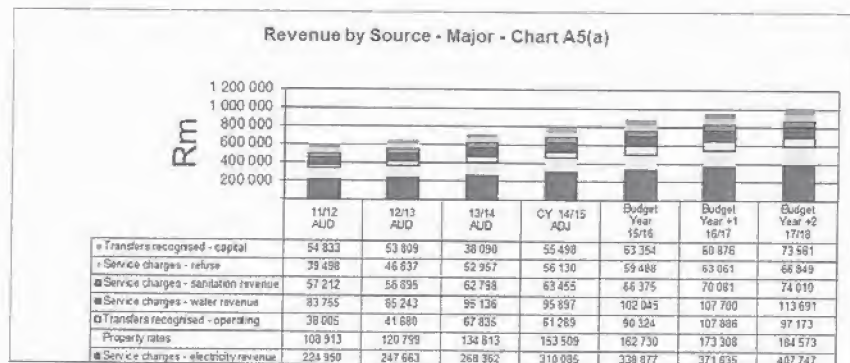
The following table is a breakdown of the operating revenue over the medium-term:

**Table 33 Breakdown of the operating revenue over the medium-term**

Description R thousand	2015/16 Medium Term Revenue & Expenditure Framework		
	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>Revenue By Source</b>			
Property rates	162 730	173 308	184 373
Service charges	566 784	612 475	662 295
Rental of facilities and equipment	11 859	12 953	14 176
Interest earned	8 784	9 028	9 296
Transfers recognised - operational	90 278	107 886	97 173
Other revenue	54 599	57 571	60 896
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>895 035</b>	<b>973 222</b>	<b>1 028 409</b>

The following graph is a breakdown of the operational revenue per main category for the 2015/16 financial year.





**Figure 6 Breakdown of operating revenue over the 2015/16 MTREF**

Tariff setting plays a major role in ensuring desired levels of revenue. Getting tariffs right assists in the compilation of a credible and funded budget. The Municipality derives most of its operational revenue from the provision of goods and services such as water, electricity, sanitation, solid waste removal, property rates, operating and capital grants from organs of state and other minor charges (such as building plan fees, licenses and permits etc).

The revenue strategy is a function of key components such as:

- Growth in the municipality and economic development;
- Revenue management and enhancement;
- Achievement of a 99 per cent annual collection rate for consumer revenue;
- National Treasury guidelines;
- Electricity tariff increases within the National Electricity Regulator of South Africa (NERSA) approval;
- Achievement of full cost recovery of specific user charges;
- Determining tariff escalation rate by establishing/calculating revenue requirements; and
- The Property Rates Policy in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004), as amended (MPRA).

The above principles guide the annual increase in the tariffs charged to the consumers and the ratepayers aligned to the economic forecasts.

**Table 34 Proposed tariff increases for 2015/2016**

**WC032 Overstrand - Supporting Table 5A14 Household bills**

Description	Current Year 2014/15	Budget Year 2015/16	Budget Year 2015/16
<b>Randicent</b>		% Incr.	
<b>Monthly Account for Household - Middle Income Range</b>			
<b>Rates and services charges:</b>			
Property rates	179.40	7.0%	191.65
Electricity Basic levy	204.58	6.0%	216.83
Electricity Consumption	1 219.00	11.0%	1 357.95
Water Basic levy	192.28	6.0%	203.82
Water Consumption	290.16	6.0%	307.57
Sanitation	305.94	6.0%	324.30
Refuse removal	130.18	6.0%	137.99
Other			
<b>sub-total</b>	<b>2 431.46</b>	<b>8.6%</b>	<b>2 646.61</b>
VAT on Services	312.90		344.41
<b>Total large household bill:</b>	<b>2 744.44</b>	<b>9.0%</b>	<b>2 991.02</b>
<b>% increase/decrease</b>			<b>9.0%</b>

Refer to Annexure C for Tariffs increases





The levying of property rates is considered a strategic revenue source.

Services charges relating to electricity, water, sanitation and refuse removal constitutes the biggest component of the revenue basket.

Operational grants and subsidies have shown increases over the MTREF. It needs to be noted that in real terms the grants receipts from national government are growing over the MTREF. This can be seen in the increase in equitable over the MTREF.

Investment revenue contributes marginally to the revenue base. It needs to be noted that these allocations have been conservatively estimated. The actual performance against budget will be carefully monitored. Any variances in this regard will be addressed as part of the mid-year review and adjustments budget.

The tables below provide detail investment information and investment particulars by maturity.

**Table 35 MBRR SA15 – Detail Investment Information**

Investment type	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>R thousand</b>									
<b>Parent municipality</b>									
Securities - National Government									
Listed Corporate Bonds									
Deposits - Bank	75 000	55 042	50 039						
Deposits - Public Investment Commissioners									
Guaranteed Endowment Policies (sinking)	5 891	11 597	16 965	22 207	22 207	22 207	28 455	34 384	40 409
Municipal Bonds									
<b>Consolidated total:</b>	<b>80 891</b>	<b>66 638</b>	<b>67 004</b>	<b>22 207</b>	<b>22 207</b>	<b>22 207</b>	<b>28 455</b>	<b>34 384</b>	<b>40 409</b>

**Table 36 MBRR SA16 – Investment particulars by maturity**

Investments by Maturity	Period of Investment	Type of Investment	Capital Guarantee (Yes/No)	Variable or Fixed Interest rate	Interest Rate	Commission on Paid (Rand)	Commission on Receipt	Expiry date of Investment	Opening balance	Interest to be realised	Partial / Premature Withdrawal	Investment Top Up	Closing Balance
Name of institution & investment ID	Yrs/Months												
<b>Parent municipality</b>													
LIBERTY 1510476	15 YEARS	POLICY	YES	VARIABLE	Fair Value Adjustment			01/09/2025	5 425	256		1 500	8 181
LIBERTY 2110094	14 YEARS	POLICY	YES	VARIABLE	Fair Value Adjustment			01/09/2025	9 389	28		3 120	12 536
MOMENTUM 3653776	15 YEARS	POLICY	YES	VARIABLE	Fair Value Adjustment			01/09/2026	1 151	(23)		360	1 488
<b>TOTAL INVESTMENTS AND INTEREST</b>									<b>16 965</b>			<b>4 980</b>	<b>22 207</b>

For the medium-term, the funding strategy has been informed directly by ensuring financial sustainability and continuity. The surplus is intended to partly fund capital expenditure from own sources as well as ensure adequate cash backing of reserves and funds.



## 2.6.2 Medium-term outlook: capital revenue

The following table is a breakdown of the funding composition of the 2015/16 medium-term capital programme:

Table 37 Sources of capital revenue over the MTREF

Vote Description	2015/16 Medium Term Revenue & Expenditure Framework		
	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>R thousand</b>			
<b>Funded by:</b>			
National Government	30 347	26 126	29 187
Provincial Government	33 007	34 750	44 374
District Municipality			
Other transfers and grants	1 000		
Transfers recognised - capital	64 354	60 876	73 561
Public contributions & donations	462		
Borrowing	32 346	30 000	30 000
Internally generated funds	6 753	3 730	
<b>Total Capital Funding</b>	<b>103 914</b>	<b>94 606</b>	<b>103 561</b>

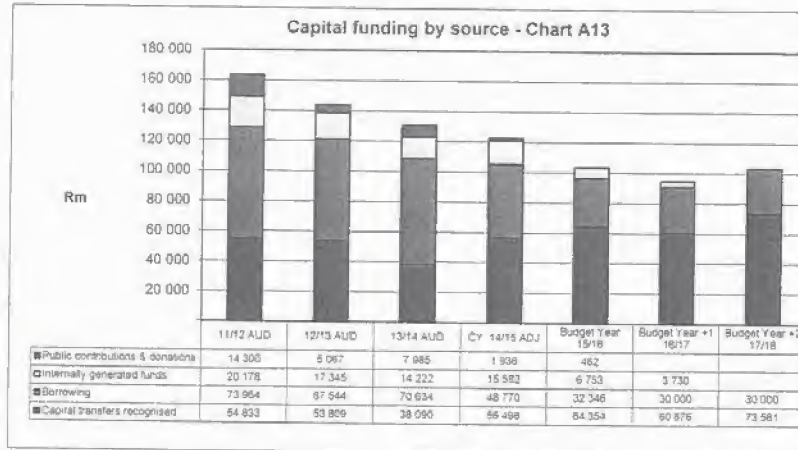


Figure 7 Sources of capital revenue for the 2015/16 financial year

Capital grants and receipts equates to 61,9 per cent of the total funding source which represents R64,3 million for the 2015/16

Borrowing still remains a significant funding source for the own capital programme over the medium-term with an estimated R90 million. As explained earlier, the borrowing capacity of the Municipality had essentially reached its limits in 2012 and going forward borrowing limits will remain constant.

The following table is a detailed analysis of the Municipality's borrowing liability.



Table 38 MBRR Table SA 17 - Detail of borrowings

Borrowing - Categorized by type	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand									
Long-Term Loans (annuity/reducing balance)	250 581	274 384	292 444	307 225	307 225	307 225	311 657	312 288	305 061
Long-Term Loans (non-annuity)	90 000	90 000	100 000	100 000	100 000	100 000	100 000	100 000	100 000
Instalment Credit				4 541	5 520	5 520	4 333	2 981	1 443
Financial Leases	623	238			84	84	-	-	-
<b>Total Borrowing</b>	<b>341 204</b>	<b>364 622</b>	<b>392 444</b>	<b>411 766</b>	<b>412 829</b>	<b>412 829</b>	<b>415 999</b>	<b>415 269</b>	<b>416 503</b>
<b>Unspent Borrowing - Categorized by type</b>									
Long-Term Loans (annuity/reducing balance)	18 255	6 133	1 847						
<b>Total Unspent Borrowing</b>	<b>18 255</b>	<b>6 133</b>	<b>1 847</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Internally generated funds consist of a mixture between surpluses generated on the operating statement of financial performance and cash backed reserves. In determining the credibility of this funding source it becomes necessary to review the cash flow budget as well as the cash backed reserves and accumulated funds reconciliation, as discussed below. Internally generated funds consist of R6,7 million in 2015/2016 and R3,7 million in 2016/17.

The following graph illustrates the growth in outstanding borrowing for the 2011/12 to 2017/18 period.

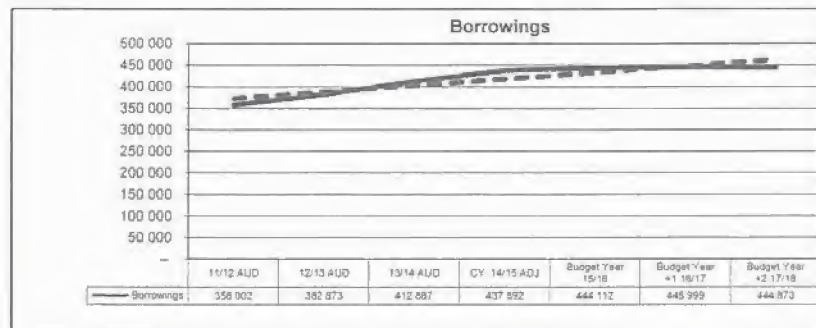


Figure 8 Growth in outstanding borrowing (long-term liabilities)

It is noticeable that the borrowing level remains constant over the MTREF, notwithstanding that proposed borrowing of R30 million per annum is envisaged. This is mainly due to a reduction in borrowing from previous levels of previous years and the cycle of borrowing and repayments of borrowing reaching equalisation.



Table 39 MBRR Table SA 18 - Capital transfers and grant receipts

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>RECEIPTS:</b>									
<b>Capital Transfers and Grants</b>									
<b>National Government:</b>	34 183	36 911	28 068	24 174	23 608	23 408	30 347	26 126	29 187
Municipal Infrastructure Grant (MIG)	13 911	16 947	15 755	20 574	20 574	20 574	21 417	22 126	23 180
Public Transport and Systems									
Regional Bulk Infrastructure	36 212	15 174	-						
Neighbourhood Development Partnership	2 000	2 418	3 963						
Finance Management	-	552	-	566	-	-			
Municipal Systems Improvement	-	20	350	934	934	934	930		
INEP	2 000	1 800	3 000	2 000	2 000	2 000	8 000	4 000	6 000
<b>Provincial Government:</b>	-	20 217	8 819	10 080	30 516	30 516	33 807	34 750	44 374
Housing	-	18 693	7 727	7 810	28 386	28 386	29 973	34 750	44 374
Sport & Recreation Grant	-	-	100	100	-	-			
Provincial Library Grant	-	13	10	2 150	2 150	2 150	3 034		
Provincial Transport Infrastructure Grant	-	1 500	982						
Community Development Worker Grant	-	11	-						
<b>Other grant providers:</b>	500	-	-	2 134	2 051	2 051	1 000	-	-
<b>DWA ACIP</b>				1 000	1 000	1 000			
Species & Sport				51	51	51			
Eskom Rebate/National Lotteries	500			1 083	1 000	1 000	1 000		
<b>Total Capital Transfers and Grants</b>	54 683	57 128	34 887	36 388	56 175	56 175	64 354	60 876	73 561

## Cash Flow Management

Cash flow management and forecasting is a critical step in determining if the budget is funded over the medium-term. The table below is consistent with international standards of good financial management practice and also improves understanding for councillors and management. Some specific features include:

- Clear separation of receipts and payments within each cash flow category;
- Clear separation of capital and operating receipts from government, which also enables cash from 'Ratepayers and other' to be provide for as cash inflow based on actual performance. In other words the *actual collection rate* of billed revenue., and
- Separation of borrowing and loan repayments (no set-off), to assist with MFMA compliance assessment regarding the use of long term borrowing (debt).





Table 40 MBRR Table A7 - Budgeted cash flow statement

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>									
<b>Receipts</b>									
Property rates, penalties & collection charges	110 347	120 273	135 876	149 254	154 165	154 165	163 300	173 297	184 620
Service charges	397 228	437 361	483 187	522 072	524 216	524 216	567 409	608 975	659 595
Other revenue	63 894	41 889	63 976	46 516	63 257	63 257	79 884	75 476	74 750
Government - operating	37 750	44 140	63 477	58 407	51 289	51 289	90 324	107 896	97 173
Government - capital	54 933	54 577	38 090	36 368	57 549	57 549	64 354	80 470	73 561
Interest	9 211	9 754	8 470	8 454	8 454	8 454	8 784	9 028	9 298
Dividends	-	-	-	-	-	-	-	-	-
<b>Payments</b>									
Suppliers and employees	(520 156)	(558 519)	(637 833)	(653 525)	(656 105)	(656 105)	(785 303)	(808 560)	(838 753)
Finance charges	(31 665)	(37 199)	(39 858)	(45 162)	(44 480)	(44 480)	(46 895)	(46 780)	(47 279)
Transfers and Grants	(24 454)	(35 856)	(38 740)	(41 370)	(41 668)	(41 668)	(48 427)	(54 667)	(62 244)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>	<b>98 933</b>	<b>75 920</b>	<b>76 616</b>	<b>80 014</b>	<b>126 678</b>	<b>126 678</b>	<b>110 661</b>	<b>125 532</b>	<b>152 720</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>									
<b>Receipts</b>									
Proceeds on disposal of PPE	13 722	1 725	5 073	-	-	-	-	-	-
Decrease (increase) in non-current debtors	2 189	-	-	-	-	-	-	-	-
Decrease (increase) other non-current receivables	20	45	18	15	15	15	16	13	11
Decrease (increase) in non-current investments	(4 430)	(4 960)	(4 529)	(5 827)	(5 827)	(5 827)	(6 248)	(6 930)	(6 925)
<b>Payments</b>									
Capital assets	(163 275)	(143 764)	(130 930)	(97 721)	(122 785)	(122 785)	(103 914)	(94 606)	(103 561)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>	<b>(151 774)</b>	<b>(146 955)</b>	<b>(136 348)</b>	<b>(163 533)</b>	<b>(128 597)</b>	<b>(128 597)</b>	<b>(110 144)</b>	<b>(100 523)</b>	<b>(199 535)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>									
<b>Receipts</b>									
Short-term loans	840	(389)	(730)	5 520	6 541	6 541	(1 135)	(1 271)	(1 352)
Borrowing long-term financing	110 000	38 700	51 308	40 000	40 000	40 000	30 000	30 000	30 000
Increase (decrease) in consumer deposits	12 844	3 726	2 819	2 703	2 703	2 703	2 479	2 528	2 786
<b>Payments</b>									
Repayment of borrowing	(14 295)	(13 554)	(20 625)	(21 061)	(21 061)	(21 061)	(23 936)	(26 341)	(29 775)
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>	<b>109 489</b>	<b>28 462</b>	<b>32 764</b>	<b>27 163</b>	<b>28 183</b>	<b>28 183</b>	<b>7 409</b>	<b>4 515</b>	<b>1 859</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>	<b>56 648</b>	<b>(42 592)</b>	<b>(20 889)</b>	<b>3 644</b>	<b>26 262</b>	<b>26 262</b>	<b>8 126</b>	<b>29 524</b>	<b>44 044</b>
Cash/cash equivalents at the year begin:	70 004	126 699	94 147	84 496	63 158	63 158	89 421	97 547	127 071
Cash/cash equivalents at the year end:	126 652	84 147	73 258	88 140	89 421	89 421	97 547	127 071	171 115

The above table shows that cash and cash equivalents of the Municipality increases steadily for the 2015/16 to 2017/2018 financial years. For the 2015/16 MTREF the budget has been prepared to ensure sustained levels of cash and cash equivalents over the medium-term with cash levels anticipated to exceed R97,5 million by 2015/16 and steadily increasing to R171,8 million by 2017/18.

### 2.6.3 Cash Backed Reserves/Accumulated Surplus Reconciliation

This following table meets the requirements of MFMA Circular 42 which deals with the funding of a municipal budget in accordance with sections 18 and 19 of the MFMA. The table seeks to answer three key questions regarding the use and availability of cash:

- What are the predicted cash and investments that are available at the end of the budget year?
- How are those funds used?
- What is the net funds available or funding shortfall?

A surplus would indicate the cash-backed accumulated surplus that is available. A shortfall (applications > cash and investments) is indicative of non-compliance with section 18 of the MFMA.





requirement that the municipality's budget must be 'funded' It is also important to analyse trends to understand the consequences. Small cash surpluses have been realised over the past three years, which is inevitably utilised to finance capital. No meaningful growth in cash has occurred. The working capital has to be optimally managed.

**Table 41 MBRR Table A8 - Cash backed reserves/accumulated surplus reconciliation**

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>R thousand</b>									
<b>Cash and investments available</b>									
Cash/equivalents at the year end	126 699	84 147	83 158	88 050	89 421	89 421	97 547	127 071	171 879
Other current investments > 90 days	0	-	0	-	-	-	0	(0)	0
Non current assets - Investments	5 691	11 597	16 965	22 207	22 207	22 207	28 455	34 384	40 409
<b>Cash and investments available</b>	<b>132 391</b>	<b>95 744</b>	<b>100 123</b>	<b>110 257</b>	<b>111 628</b>	<b>111 628</b>	<b>126 001</b>	<b>161 455</b>	<b>212 288</b>
<b>Application of cash and investments</b>									
Unspent conditional transfers	4 355	7 783	3 425	-	-	-	-	-	-
Unspent borrowing	18 255	6 133	1 847	-	-	-	-	-	-
Statutory requirements									
Other working capital requirements	(28 049)	(21 076)	(40 826)	(40 803)	(57 301)	(57 301)	(22 988)	(23 728)	(13 035)
Other provisions									
Long term investments committed	5 691	11 597	16 965	22 207	22 207	22 207	28 455	34 384	40 409
Reserves to be backed by cash/investments	1 920	1 891	2 563	1 934	2 573	2 573	2 637	2 703	2 767
<b>Total Application of cash and investments</b>	<b>2 371</b>	<b>6 386</b>	<b>(16 024)</b>	<b>(16 663)</b>	<b>(32 522)</b>	<b>(32 522)</b>	<b>8 224</b>	<b>13 360</b>	<b>30 132</b>
<b>Surplus/(shortfall)</b>	<b>130 018</b>	<b>89 358</b>	<b>116 147</b>	<b>126 920</b>	<b>144 150</b>	<b>144 150</b>	<b>117 777</b>	<b>148 095</b>	<b>182 156</b>

From the above table it can be seen that the cash and investments total R111,6 million in the 2014/2015 financial year and increase to R126 million by 2015/16, including the projected cash and cash equivalents as determined in the cash flow forecast. The following is a breakdown of the application of this funding:

- Unspent conditional transfers (grants) are automatically assumed to be an obligation as the municipality has received government transfers in advance of meeting the conditions. Ordinarily, unless there are special circumstances, the municipality is obligated to return unspent conditional grant funds to the national revenue fund at the end of the financial year. In the past these have been allowed to 'roll-over' and be spent in the ordinary course of business, but this practice has been discontinued. Stringent measures have been implemented by NT regarding unspent grants.
- No unspent borrowing from the previous financial year is anticipated. Borrowings are only drawn down once substantial expenditure has incurred against the particular projects.
- Provisions for statutory requirements include VAT owing to timing differences resulting from year-end obligations.
- The main purpose of other working capital is to ensure that sufficient funds are available to meet obligations as they fall due. A key challenge is often the mismatch between the timing of receipts of funds from debtors and payments due to employees and creditors. For the purpose of the cash backed reserves and accumulated surplus reconciliation, at least one month's operational expenditure is covered at all times. It needs to be noted that although this can be considered prudent, the desired cash levels should be 60 days to ensure continued liquidity of the municipality. Any underperformance in relation to collections could place upward pressure on the ability of the Municipality to meet its creditor obligations.
- Long term investments consist primarily of the sinking funds for the repayment of future borrowings. The sinking fund value is held within long term investments and must be 'held to maturity' and is not available for spending.
- Most reserve fund cash-backing is discretionary in nature, but the reserve funds are not available to support a budget unless they are cash-backed. The level of cash-backing is directly informed by the municipality's cash backing policy.



It can be concluded that the Municipality will have a surplus of R117,7 million against the cash backed and accumulated surpluses reconciliation. When considering the funding requirements of section 18 and 19 of the MFMA, it needs to be noted that for all practical purposes the 2015/2016 MTREF is funded, from a pure cash flow perspective (cash out flow versus cash inflow) the budget is funded and is therefore credible. The challenge for the Municipality will be to ensure that the underlying planning and cash flow assumptions are meticulously managed, especially the performance against the collection rate.

The following graph supplies an analysis of the trends relating cash and cash equivalents and the cash backed reserves/accumulated funds reconciliation over a seven year perspective.

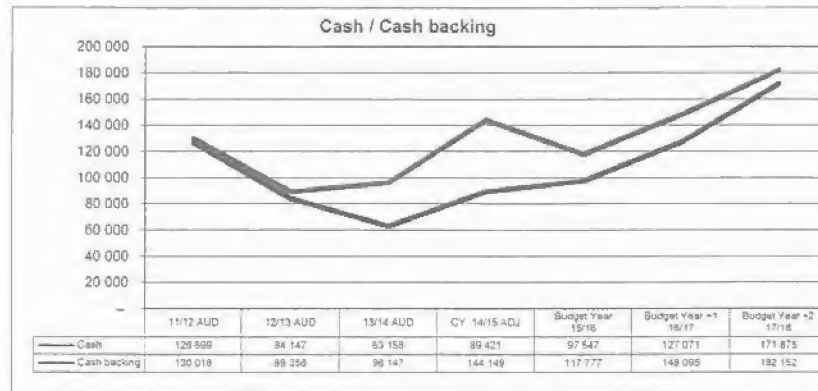


Figure 9 Cash and cash equivalents / Cash backed reserves and accumulated funds

#### 2.6.4 Funding compliance measurement

National Treasury requires that the municipality assess its financial sustainability against fourteen different measures that look at various aspects of the financial health of the municipality. These measures are contained in the following table. All the information comes directly from the annual budgeted statements of financial performance, financial position and cash flows. The funding compliance measurement table essentially measures the degree to which the proposed budget complies with the funding requirements of the MFMA. Each of the measures is discussed below.



Table 42 MBRR SA10 – Funding compliance measurement

Description	MFMA section	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>Funding measures</b>										
Cash/cash equivalents at the year end - R'000	18(1)(b)	126 899	84 147	53 158	88 050	89 421	89 421	97 547	127 071	171 878
Cash - investments at the year end - R'000	18(1)(b)	130 018	89 356	99 147	126 520	144 149	144 149	117 777	148 095	182 152
Cash year end monthly employee/supplier payments	18(1)(b)	3.1	1.8	1.2	1.6	1.5	1.6	1.5	1.9	2.4
Surplus/(Deficit) excluding depreciation, R'000	18(1)	(81 507)	10 899	(45 015)	(48 747)	(65 423)	(65 423)	(5 140)	(3 395)	3 679
Service charge rev. % change - macro (PRX target exclusive)	18(1)(a)(2)	N.A.	2.5%	4.2%	3.8%	(5.5%)	(5.0%)	1.4%	7.7%	1.8%
Cash receipts % of Ratepayer & Other revenue	18(1)(a)(2)	104.9%	91.5%	103.1%	99.6%	99.9%	99.8%	107.2%	99.3%	99.3%
Debt impairment expense as a % of total billable revenue	18(1)(a)(2)	0.0%	1.2%	2.0%	0.0%	3.4%	3.4%	3.1%	2.9%	2.7%
Capital payments % of capital expenditure	18(1)(c)	100.0%	100.0%	100.0%	100.0%	104.4%	104.4%	100.0%	100.0%	100.0%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)(c)	101.4%	43.0%	53.3%	65.2%	65.5%	65.5%	73.8%	88.9%	100.0%
Grants % of Govt. legislated/gazetted allocations	18(1)(a)							100.0%	100.0%	100.0%
Current consumer debtors % change - non(debt)	18(1)(a)	N.A.	15.5%	(2.1%)	(2.2%)	11.3%	0.0%	(11.2%)	(1.4%)	4.2%
Long term receivables % change - non(debt)	18(1)(a)	N.A.	(33.7%)	(12.4%)	(16.1%)	0.0%	0.0%	(28.3%)	(26.0%)	(32.5%)
R&M % of Property Plant & Equipment	20(1)(vi)	2.1%	3.7%	4.8%	5.3%	5.2%	5.2%	3.9%	4.1%	4.2%
Asset renewal % of capital budget	20(1)(vi)	0.0%	2.9%	35.9%	28.8%	27.3%	27.3%	20.0%	22.2%	6.3%
<b>Total Operating Revenue</b>		597 482	703 871	736 376	784 474	810 351	810 351	885 035	973 222	1 028 409
<b>Total Operating Expenditure</b>		742 525	752 070	832 022	869 588	933 322	933 322	964 529	1 037 493	1 098 202
<b>Operating Performance Surplus/(Deficit)</b>		(145 043)	(48 199)	(95 646)	(85 115)	(122 971)	(122 971)	(79 494)	(64 271)	(69 793)
<b>Cash and Cash Equivalents (30 June 2012)</b>		126 899	84 147	53 158	88 050	89 421	89 421	97 547	127 071	171 878
<b>Revenue</b>										
% Increase in Total Operating Revenue			17.6%	4.6%	5.3%	3.3%	0.0%	10.5%	9.7%	5.7%
% Increase in Property Rates Revenue			10.9%	11.4%	10.2%	3.3%	0.0%	6.0%	6.5%	8.5%
% Increase in Electricity Revenue			10.1%	8.4%	15.3%	0.0%	0.0%	8.3%	9.7%	9.7%
% Increase in Property Rates & Services Charges			8.3%	10.2%	9.8%	0.7%	0.0%	7.4%	7.7%	7.9%
<b>Expenditure</b>										
% Increase in Total Operating Expenditure			1.3%	10.6%	4.5%	7.3%	0.0%	3.3%	7.6%	5.9%
% Increase in Employee Costs			17.4%	12.5%	7.5%	(1.4%)	0.0%	5.5%	4.7%	5.0%
% Increase in Electricity Bulk Purchases			14.5%	6.3%	7.9%	0.0%	0.0%	14.2%	14.2%	14.2%
R&M % of PPE		2.1%	3.7%	4.8%	5.3%	5.2%	5.2%	3.9%	4.1%	4.2%
Asset Renewal and R&M as a % of PPE		2.0%	4.0%	5.0%	5.0%	5.0%	5.0%	4.0%	5.0%	5.0%
Debt Impairment % of Total Billable Revenue		0.0%	1.2%	2.0%	0.0%	3.4%	3.4%	3.1%	2.9%	2.7%
<b>Capital Revenue</b>										
Internally Funded & Other (R'000)		34 479	22 412	22 207	14 430	37 517	17 517	7 515	3 730	-
Borrowing (R'000)		73 364	67 544	70 634	48 920	48 770	48 770	32 346	30 000	30 000
Grant Funding and Other (R'000)		54 833	53 809	38 090	36 368	59 498	59 498	94 354	60 876	73 561
Internally Generated funds % of Non Grant Funding		31.8%	24.5%	23.9%	23.3%	25.4%	28.4%	16.2%	11.1%	0.0%
Borrowing % of Non Grant Funding		68.2%	75.1%	76.1%	78.5%	73.6%	73.6%	81.8%	88.9%	100.0%
Grant Funding % of Total Funding		33.5%	37.4%	29.1%	37.2%	45.0%	46.0%	51.9%	54.3%	71.0%
<b>Capital Expenditure</b>										
Total Capital Programme (R'000)		163 275	143 784	130 930	97 121	122 785	122 785	103 914	94 805	107 581
Asset Renewal		-	4 147	47 032	28 139	32 838	32 838	20 758	21 000	6 500
Asset Renewal % of Total Capital Expenditure		0.0%	2.9%	35.9%	28.8%	26.7%	26.7%	20.0%	22.2%	6.3%
<b>Cash</b>										
Cash Receipts % of Ratepayer & Other		104.9%	91.5%	103.1%	99.6%	99.9%	99.9%	101.2%	99.9%	99.3%
Cash Coverage Ratio		3.1	1.8	1.2	1.6	1.5	1.6	1.5	1.9	2.4
<b>Borrowing</b>										
Capital Charges to Operating		6.2%	6.8%	7.3%	7.0%	7.0%	7.0%	7.3%	7.1%	7.3%
Borrowing Receipts % of Capital Expenditure		101.4%	43.0%	53.3%	65.2%	65.5%	65.5%	73.8%	88.9%	100.0%
<b>Reserves</b>										
Surplus/(Deficit)		130 018	89 356	96 147	126 520	144 149	144 149	117 777	148 095	182 152
<b>Free Services</b>										
Free Basic Services as a % of Available Share		90.1%	88.7%	82.3%	80.2%	80.2%	80.2%	74.8%	72.4%	71.3%
Free Services as a % of Operating Revenue (excl. operational transfers)		14.8%	11.7%	11.2%	10.4%	10.5%	10.3%	11.0%	11.1%	11.1%
<b>High Level Outcome of Funding Compliance</b>										
Total Operating Revenue		597 482	703 871	736 376	784 474	810 351	810 351	885 035	973 222	1 028 409
Total Operating Expenditure		742 525	752 070	832 022	869 588	933 322	933 322	964 529	1 037 493	1 098 202
Surplus/(Deficit) Budgeted Operating Statement		(145 043)	(48 199)	(95 646)	(85 115)	(122 971)	(122 971)	(79 494)	(64 271)	(69 793)
Surplus/(Deficit) Considering Reserves and Cash Backing		130 018	89 356	96 147	126 520	144 149	144 149	117 777	148 095	182 152
MTREF Funded (1) / Unfunded (0)		1	1	1	1	1	1	1	1	1
MTREF Funded (1) / Unfunded (0)		✓	✓	✓	✓	✓	✓	✓	✓	✓



#### 2.6.4.1 Cash/cash equivalent position

The Municipality's forecast cash position was discussed as part of the budgeted cash flow statement. A 'positive' cash position, for each year of the MTREF would generally be a minimum requirement, subject to the planned application of these funds such as cash-backing of reserves and working capital requirements.

If the municipality's forecast cash position is negative, for any year of the medium term budget, the budget is very unlikely to meet MFMA requirements or be sustainable and could indicate a risk of non-compliance with section 45 of the MFMA which deals with the repayment of short term debt at the end of the financial year. The forecasted cash and cash equivalents for the 2015/16 MTREF shows R97,5 million, R127 million and R171,8 million for each respective financial year.

#### 2.6.4.2 Cash plus investments less application of funds

The purpose of this measure is to understand how the municipality has applied the available cash and investments as identified in the budgeted cash flow statement. The detail reconciliation of the cash backed reserves/surpluses is contained in Table 41, on page 67. The reconciliation is intended to be a relatively simple methodology for understanding the budgeted amount of cash and investments available with any planned or required applications to be made. This has been extensively discussed above.

#### 2.6.4.3 Monthly average payments covered by cash or cash equivalents

The purpose of this measure is to understand the level of financial risk should the municipality be under stress from a collection and cash in-flow perspective. Regardless of the annual cash position an evaluation should be made of the ability of the Municipality to meet monthly payments as and when they fall due. It is especially important to consider the position should the municipality be faced with an unexpected disaster that threatens revenue collection such as services boycotts. The ratio is at 1.5 for the 2015/2016 MTREF.

#### 2.6.4.4 Surplus/deficit excluding depreciation offsets

The main purpose of this measure is to understand if the revenue levels are sufficient to conclude that the community is making a sufficient contribution for the municipal resources consumed each year. An 'adjusted' surplus/deficit is achieved by offsetting the amount of depreciation related to externally funded assets. Municipalities need to assess the result of this calculation taking into consideration its own circumstances and levels of backlogs. If the outcome is a deficit, it may indicate that rates and service charges are insufficient to ensure that the community is making a sufficient contribution toward the economic benefits they are consuming over the medium term. The issue relating to depreciation has been discussed at length elsewhere in this report. This indicator cannot be measured as depreciation offset do not form part of the GRAP reporting framework. It needs to be noted that a surplus does not necessarily mean that the budget is funded from a cash flow perspective and the first two measures in the table are therefore critical.

#### 2.6.4.5 Property Rates/service revenue as a percentage increase less macro inflation target

The purpose of this measure is to understand whether the municipality is contributing appropriately to the achievement of national inflation targets. This measure is based on the increase in 'revenue', which will include both the change in the tariff as well as any assumption about real growth such as new property development, services consumption growth etc.

The factor is calculated by deducting the maximum macro-economic inflation target increase (which is currently 6 per cent). Refer to Annexure C for Tariff List and Increases.



#### **Cash receipts as a percentage of ratepayer and other revenue**

This factor is a macro measure of the rate at which funds are 'collected'. This measure is intended to analyse the underlying assumed collection rate for the MTREF to determine the relevance and credibility of the budget assumptions contained in the budget. It can be seen that the outcome is at 101.2, 99.9, and 99.3 per cent for each of the respective financial years. Given that the assumed collection rate was based on a 99 per cent performance target, the cash flow statement has been accurately determined. This measure and performance objective will have to be meticulously managed. Should performance with the mid-year review and adjustments be positive in relation to actual collections of billed revenue, the adjustments budget will be amended accordingly.

#### **2.6.4.6 Debt impairment expense as a percentage of billable revenue**

Overstrand Municipality did not provide for Debt impairment under the Financial performance as the methodology for determining the provision for debt impairment will result in a decrease in the provision. The provision is set to decrease.

#### **2.6.4.7 Capital payments percentage of capital expenditure**

The purpose of this measure is to determine whether the timing of payments has been taken into consideration when forecasting the cash position. The municipality aims to ensure strict compliance with the legislative requirement that creditors be paid within 30 days.

#### **2.6.4.8 Borrowing as a percentage of capital expenditure (excluding transfers, grants and contributions)**

The purpose of this measurement is to determine the proportion of a municipality's 'own-funded' capital expenditure budget that is being funded from borrowed funds to confirm MFMA compliance. Externally funded expenditure (by transfers/grants and contributions) has been excluded. It can be seen that borrowing equates to 85, 89 and 100 per cent of own funded capital.

#### **Transfers/grants revenue as a percentage of Government transfers/grants available**

The purpose of this measurement is mainly to ensure that all available transfers from national and provincial government have been budgeted for. A percentage less than 100 per cent could indicate that not all grants as contained in the Division of Revenue Act (DoRA) have been budgeted for. The Municipality has budgeted for all transfers.

#### **2.6.4.9 Consumer debtors change (Current and Non-current)**

The purpose of these measures is to ascertain whether budgeted reductions in outstanding debtors are realistic. There are 2 measures shown for this factor; the change in current debtors and the change in long term receivables, both from the Budgeted Financial Position.

#### **2.6.4.10 Repairs and maintenance expenditure level**

This measure must be considered within the context of the funding measures criteria because a trend that indicates insufficient funds are being committed to asset repair could also indicate that the overall budget is not credible and/or sustainable in the medium to long term because the revenue budget is not being protected. Details of the municipality's strategy pertaining to asset management and repairs and maintenance are contained in Table 56 MBRR SA34c on page 86.

#### **2.6.4.11 Asset renewal/rehabilitation expenditure level**

This measure has a similar objective to aforementioned objective relating to repairs and maintenance. A requirement of the detailed capital budget (since MFMA Circular 28 which was issued in December 2005) is to categorise each capital project as a new asset or a renewal/rehabilitation project. The objective is to summarise and understand the proportion of budgets being provided for new assets and also asset sustainability. A declining or low level of renewal funding may indicate that a budget is not credible and/or sustainable and future revenue is not being protected, similar to the justification for 'repairs and maintenance' budgets. Further details in this regard are contained in Table 55 MBRR SA34b on page 85.





## 2.7 Expenditure on grants and reconciliations of unspent funds

Table 43 MBRR SA19 - Expenditure on transfers and grant programmes

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>EXPENDITURE:</b>									
<b>Operating expenditure of Transfers and Grants</b>									
<b>National Government:</b>	33 973	38 956	45 033	54 673	3 218	3 218	67 709	74 702	82 187
Local Government Equitable Share	31 158	36 146	41 949	52 021	-	-	64 598	72 270	79 904
Finance Management	1 250	698	1 300	894	1 450	1 450	1 450	1 475	1 550
Municipal Systems Improvement	790	790	540	-	-	-	-	957	1 033
EPWP Incentive	777	1 332	1 244	1 766	1 766	1 766	1 661	-	-
Municipal Disaster Recovery Grant	-	-	-	-	-	-	-	-	-
<b>Provincial Government:</b>	4 032	2 724	22 802	3 734	4 778	4 778	22 615	33 184	14 986
Housing	3 186	1 636	18 889	183	412	412	17 141	27 486	3 876
Community Development/Worker Grant	78	70	49	52	70	70	72	76	80
Main Road Subsidy	65	65	2 551	97	97	97	114	-	-
Sport & Recreation Grant	-	-	-	-	-	-	-	-	-
Provincial Library Grant	840	691	795	3 182	3 182	3 182	5 288	5 567	5 600
Emergency Housing Programme (EHP)	-	-	-	220	220	220	-	-	-
Financial Management Support Grant	-	-	155	-	759	759	-	-	-
Nelson Mandela commemoration Grant	-	-	100	-	-	-	-	-	-
Greenest Municipality	-	-	12	-	38	38	-	-	-
hQE	63	19	47	-	-	-	-	-	-
Mobility Strategy	-	2	106	-	-	-	-	-	-
Tutoring Service Centre Grant	-	218	218	-	-	-	-	71	140
<b>Other grant providers:</b>	156	222	894	-	-	-	-	-	-
Spaces 4 Sport/Friedrich Naumann Foundation	156	200	627	-	-	-	-	-	-
ICT Projects for Libraries/Samras Usergroup	-	22	267	-	-	-	-	-	-
<b>Total operating expenditure of Transfers and Grants</b>	38 161	41 902	68 730	58 407	7 996	7 996	90 324	107 886	97 173
<b>Capital expenditure of Transfers and Grants</b>									
<b>National Government:</b>	54 183	36 911	25 094	24 174	24 174	24 174	30 347	26 126	29 187
Municipal Infrastructure Grant (MIG)	13 971	16 941	19 755	20 674	20 674	20 674	21 417	22 126	23 187
Public Transport and Systems	-	-	-	-	-	-	-	-	-
Regional Bulk Infrastructure	36 212	15 174	-	-	-	-	-	-	-
Municipal Systems Improvement	-	20	350	834	934	934	930	-	-
INEP	2 000	1 800	2 026	2 000	2 000	2 000	8 000	4 000	6 000
Finance Management	-	582	-	566	566	566	-	-	-
Neighbourhood Development Partnership	2 000	2 416	3 963	-	-	-	-	-	-
<b>Provincial Government:</b>	650	16 898	12 956	10 060	31 990	31 990	33 007	34 750	44 374
Housing	-	16 851	10 404	7 810	29 740	29 740	29 973	34 750	44 374
Sport & Recreation Grant	-	-	100	100	100	100	-	-	-
Public transport non-motorised infrastructure grant	-	-	2 482	-	-	-	-	-	-
Provincial Library Grant	-	13	10	2 150	2 150	2 150	3 034	-	-
Mobility strategy (pound) CDW	650	234	-	-	-	-	-	-	-
<b>Other grant providers:</b>	-	500	-	2 134	2 051	2 051	1 000	-	-
DWA ACIP	-	-	-	1 000	1 000	1 000	-	-	-
Spaces 4 Sport	-	-	-	51	51	51	-	-	-
National Lotto	-	500	-	1 083	1 000	1 000	1 000	-	-
<b>Total capital expenditure of Transfers and Grants</b>	54 833	54 309	38 050	36 368	58 215	58 215	64 354	60 876	73 561
<b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>	92 993	96 211	106 820	94 775	66 211	66 211	154 678	168 762	170 734

Table 44 MBRR SA 20 - Reconciliation between of transfers, grant receipts and unspent funds

WC032 Overstrand - Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>R thousand</b>									
<b>Operating transfers and grants:</b>									
<b>National Government:</b>									
Balance unspent at beginning of the year	-	-	-	-	-	-	-	-	-
Current year receipts	33 973	38 956	45 033	54 673	56 511	56 511	67 709	74 702	82 187
Conditions met - transferred to revenue	33 973	38 956	45 033	54 673	56 511	56 511	67 709	74 702	82 187
Conditions still to be met - transferred to liabilities	-	-	-	-	-	-	-	-	-
<b>Provincial Government:</b>									
Balance unspent at beginning of the year	129	174	153	-	683	683	-	-	-
Current year receipts	10 697	2 703	23 332	3 734	4 174	4 174	22 615	33 184	14 986
Transfer to creditor/debtor	(3 310)	-	-	-	(79)	(79)	-	-	-
Conditions met - transferred to revenue	4 032	2 724	22 902	3 734	4 174	4 174	22 615	33 184	14 986
Conditions still to be met - transferred to liabilities	3 485	153	683	-	-	-	-	-	-
<b>District Municipality:</b>									
Balance unspent at beginning of the year	-	-	-	-	-	-	-	-	-
Current year receipts	-	-	-	-	-	-	-	-	-
Conditions met - transferred to revenue	-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities	-	-	-	-	-	-	-	-	-
<b>Other grant providers:</b>									
Balance unspent at beginning of the year	125	240	689	-	361	361	-	-	-
Current year receipts	270	652	585	-	185	185	-	-	-
Conditions met - transferred to revenue	156	223	894	-	546	546	-	-	-
Conditions still to be met - transferred to liabilities	240	669	361	-	-	-	-	-	-
<b>Total operating transfers and grants revenue</b>	<b>38 161</b>	<b>41 902</b>	<b>88 730</b>	<b>58 407</b>	<b>61 835</b>	<b>61 835</b>	<b>90 324</b>	<b>107 886</b>	<b>97 173</b>
<b>Total operating transfers and grants - CTBM</b>	<b>3 725</b>	<b>822</b>	<b>1 044</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Capital transfers and grants:</b>									
<b>National Government:</b>									
Balance unspent at beginning of the year	-	-	-	-	-	-	-	-	-
Current year receipts	54 183	36 911	26 068	24 174	23 608	23 608	30 347	26 126	29 187
Transfer to creditor/debtor	-	-	(874)	-	-	-	-	-	-
Conditions met - transferred to revenue	54 183	36 911	25 094	24 174	23 608	23 608	30 347	26 126	29 187
Conditions still to be met - transferred to liabilities	-	-	-	-	-	-	-	-	-
<b>Provincial Government:</b>									
Balance unspent at beginning of the year	981	3 642	6 961	-	2 382	2 382	-	-	-
Current year receipts	-	20 217	8 919	10 060	30 516	30 516	33 007	34 750	44 374
Transfer to creditor/debtor	-	-	(402)	-	(8)	(8)	-	-	-
Conditions met - transferred to revenue	650	16 898	12 996	10 060	32 490	32 490	33 007	34 750	44 374
Conditions still to be met - transferred to liabilities	331	6 961	2 382	-	-	-	-	-	-
<b>District Municipality:</b>									
Balance unspent at beginning of the year	-	-	-	-	-	-	-	-	-
Current year receipts	-	-	-	-	-	-	-	-	-
Conditions met - transferred to revenue	-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities	-	-	-	-	-	-	-	-	-
<b>Other grant providers:</b>									
Balance unspent at beginning of the year	-	500	-	-	-	-	-	-	-
Current year receipts	500	-	-	2 134	2 051	2 051	1 000	-	-
Conditions met - transferred to revenue	-	500	-	2 134	2 051	2 051	1 000	-	-
Conditions still to be met - transferred to liabilities	500	-	-	-	-	-	-	-	-
<b>Total capital transfers and grants revenue</b>	<b>54 833</b>	<b>54 369</b>	<b>38 090</b>	<b>36 368</b>	<b>56 549</b>	<b>56 549</b>	<b>64 354</b>	<b>60 876</b>	<b>73 561</b>
<b>Total capital transfers and grants - CTBM</b>	<b>831</b>	<b>6 961</b>	<b>2 382</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>



## 2.8 Councillor and employee benefits

Table 45 MBRR SA22 - Summary of councillor and staff benefits

Summary of Employee and Councillor remuneration	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>Councillors (Political Office Bearers plus Other)</b>									
Basic Salaries and Wages	6 717	7 084	7 415	7 968	7 911	7 911	8 037	8 527	9 047
Pension and UIF Contributions	-	-	-	-	-	-	-	-	-
Medical Aid Contributions	-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance	-	-	-	-	-	-	-	-	-
Cellphone Allowance	-	-	518	548	605	605	638	665	684
Housing Allowances	-	-	-	-	-	-	-	-	-
Other benefits and allowances	-	-	-	-	-	-	-	-	-
<b>Sub Total - Councillors</b>	<b>6 717</b>	<b>7 084</b>	<b>7 933</b>	<b>8 516</b>	<b>8 516</b>	<b>8 516</b>	<b>8 674</b>	<b>9 192</b>	<b>9 741</b>
% increase		5.5%	12.0%	7.3%	-	-	1.9%	6.0%	6.0%
<b>Senior Managers of the Municipality</b>									
Basic Salaries and Wages	7 082	8 100	8 566	9 190	9 190	9 190	9 735	10 311	10 938
Pension and UIF Contributions	-	-	-	-	-	-	-	-	-
Medical Aid Contributions	-	-	-	-	-	-	-	-	-
Overtime	-	-	-	-	-	-	-	-	-
Performance Bonus	-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance	-	-	-	-	-	-	-	-	-
Cellphone Allowance	128	135	138	163	163	163	154	163	172
Housing Allowances	-	-	-	-	-	-	-	-	-
Other benefits and allowances	-	3	-	-	-	-	-	-	-
Payments in lieu of leave	-	82	-	-	-	-	-	-	-
Long service awards	-	-	-	-	-	-	-	-	-
Post-retirement benefit obligations	-	-	-	-	-	-	-	-	-
<b>Sub Total - Senior Managers of Municipality</b>	<b>7 210</b>	<b>8 324</b>	<b>8 706</b>	<b>9 354</b>	<b>9 354</b>	<b>9 354</b>	<b>9 889</b>	<b>10 473</b>	<b>11 110</b>
% increase		15.5%	4.6%	7.4%	-	-	5.7%	5.9%	6.1%
<b>Other Municipal Staff</b>									
Basic Salaries and Wages	126 414	143 857	158 389	175 220	170 729	170 729	189 457	198 284	210 347
Pension and UIF Contributions	21 014	24 051	25 104	29 321	29 321	29 321	31 735	33 672	35 725
Medical Aid Contributions	7 354	8 176	8 828	11 463	11 463	11 463	11 618	12 327	13 019
Overtime	12 030	12 428	14 370	13 913	13 913	13 913	15 046	15 963	16 937
Performance Bonus	-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance	8 240	9 178	9 750	11 760	11 760	11 760	11 314	11 925	11 174
Cellphone Allowance	725	1 785	1 402	1 474	1 474	1 474	1 348	1 434	1 434
Housing Allowances	1 023	1 046	967	1 018	1 018	1 018	1 002	1 008	1 008
Other benefits and allowances	10 461	9 254	10 083	11 118	11 118	11 118	10 621	10 965	11 233
Provision for Accrued Leave	-	2 056	1 859	2 350	2 350	2 350	729	773	819
Provision for Long service awards	-	690	3 587	1 290	1 291	1 291	1 802	2 028	2 315
Provision for Bonus	-	-	-	500	500	500	465	482	511
Post-retirement benefit obligations	13 467	10 735	17 739	11 875	11 925	11 925	9 578	6 373	7 391
<b>Sub Total - Other Municipal Staff</b>	<b>200 728</b>	<b>223 517</b>	<b>251 939</b>	<b>270 713</b>	<b>266 863</b>	<b>266 863</b>	<b>281 705</b>	<b>294 934</b>	<b>312 473</b>
% increase		11.3%	12.4%	7.5%	(1.4%)	-	5.6%	4.7%	5.9%
<b>Total Parent Municipality</b>	<b>214 656</b>	<b>238 726</b>	<b>269 577</b>	<b>288 582</b>	<b>284 732</b>	<b>284 732</b>	<b>300 268</b>	<b>314 600</b>	<b>333 324</b>
		11.2%	12.5%	7.4%	(1.3%)	-	5.5%	4.8%	6.0%
<b>TOTAL SALARY, ALLOWANCES &amp; BENEFITS</b>	<b>214 656</b>	<b>238 726</b>	<b>269 577</b>	<b>288 582</b>	<b>284 732</b>	<b>284 732</b>	<b>300 268</b>	<b>314 600</b>	<b>333 324</b>
% increase		11.2%	12.5%	7.4%	(1.3%)	-	5.5%	4.8%	6.0%



Table 46 MBRR SA23 - Salaries, allowances and benefits (political office bearers/councillors/senior managers)

Disclosure of Salaries, Allowances & Benefits 1.	No.	Salary	Contributions	Allowances	Performance Bonuses	In-kind benefits	Total Package
<b>Rand per annum</b>							
<b>Councillors</b>							
Speaker		609 265		25 512			634 797
Chief Whip							-
Executive Mayor		761 605		25 512			787 117
Deputy Executive Mayor		609 285		25 512			634 797
Executive Committee		1 713 615		76 536			1 790 151
Total for all other councillors		4 342 886		484 728			4 827 614
<b>Total Councillors</b>	-	<b>8 036 676</b>	-	<b>637 800</b>			<b>8 674 476</b>
<b>Senior Managers of the Municipality</b>							
Municipal Manager (MM)		1 758 175		22 872			1 781 047
Chief Finance Officer		1 613 208		19 872			1 633 080
Management Services		1 212 924		22 872			1 235 796
Community Services		1 345 353		22 872			1 368 225
Infrastructure & Planning		1 624 404		22 872			1 647 276
LED		1 100 164		19 872			1 120 036
Protection Services		1 070 390		22 872			1 093 262
<b>Total Senior Managers of the Municipality</b>	-	<b>9 734 618</b>	-	<b>154 104</b>	-		<b>9 888 722</b>
<b>TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION</b>	-	<b>17 771 294</b>	-	<b>791 904</b>	-		<b>18 563 198</b>





Table 47 MBRR SA24 – Summary of personnel numbers

WC032 Overstrand - Supporting Table SA24 Summary of personnel numbers

Summary of Personnel Numbers	2013/14			Current Year 2014/15			Budget Year 2015/16		
	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees
<b>Municipal Council and Boards of Municipal Entities</b>									
Councillors (Political Office Bearers plus Other Councillors)	25	7		25	7		25	7	
Board Members of municipal entities									
<b>Municipal employees</b>									
Municipal Manager and Senior Managers	7	7		7	7		7	7	-
Other Managers	57	49		57	49		61	54	-
Professionals	53	52	-	54	52	-	54	49	-
Finance	22	21		22	21		23	15	-
Spaetstown planning	8	8		9	8		8	7	-
Information Technology									
Roads	8	8		8	8		8	8	-
Electricity	5	5		5	5		5	1	-
Water	4	4		4	4		4	3	-
Sanitation	3	3		3	3		3	3	-
Refuse	3	3		3	3		3	3	-
Other									
Technicians	213	203	-	213	203	-	215	194	-
Finance									
Spaetstown planning	6	6		6	6		6	5	-
Information Technology	3	3		3	3		4	3	-
Roads	3	2		3	2		3	3	-
Electricity	22	18		22	18		22	15	-
Water	4	2		4	2		5	4	-
Sanitation	6	4		6	4		6	5	-
Refuse	3	3		3	3		3	3	-
Other	166	166		166	166		166	166	-
Clerks (Clerical and administrative)	189	177		189	177		186	162	-
Service and sales workers	54	51		54	51		114	106	-
Skilled agricultural and fishery workers									
Craft and related trades									
Plant and Machine Operators	42	23		42	23		45	40	-
Elementary Occupations	487	474		487	474		492	477	-
<b>TOTAL PERSONNEL NUMBERS</b>	<b>1 127</b>	<b>1 043</b>	<b>-</b>	<b>1 128</b>	<b>1 043</b>	<b>-</b>	<b>1 199</b>	<b>1 087</b>	<b>-</b>
% Increase				0.1%	-	-	6.3%	4.2%	-
<b>Total municipal employees headcount</b>	<b>1 102</b>	<b>1 036</b>		<b>1 102</b>	<b>1 036</b>		<b>1 174</b>	<b>1 080</b>	
Finance personnel headcount	126	118		126	11		111	116	
Human Resources personnel headcount	19	18		19	18		18	18	

## 2.9 Monthly targets for revenue, expenditure and cash flow ....





Table 48 MBRR SA25 - Budgeted monthly revenue and expenditure

Description	Budget Year 2015/16												Medium Term Revenue and Expenditure Framework	
	July	August	Sept	October	November	December	January	February	March	April	May	June	Budget Year 2015/16	Budget Year 2016/17
<b>Revenue</b>														
Property rates	15 127	12 605	12 889	12 999	12 895	12 999	12 983	13 047	12 999	13 124	12 994	12 994	125 398	125 398
Property rates - penalties & collection charges	48	64	79	87	66	66	68	67	86	65	62	152	800	800
Service charges - weekly service	33 517	32 583	30 625	27 516	26 424	26 403	23 222	20 417	20 841	20 802	20 605	20 841	338 872	338 872
Service charges - water service	7 011	5 678	7 028	7 037	9 559	10 166	12 440	8 788	9 644	8 144	7 133	7 588	102 645	102 645
Service charges - refuse removal	4 635	4 571	4 917	4 821	5 302	5 368	7 389	5 759	8 590	5 305	5 270	8 226	66 375	66 375
Service charges - refuse removal	5 026	4 918	4 966	5 018	5 022	5 020	4 791	4 816	4 862	4 952	4 965	4 748	59 489	59 489
Service charges - other	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rent of buildings and equipment	993	736	682	795	1 305	1 375	983	767	989	511	412	2 152	11 659	11 659
Interest earned - external investments	578	538	564	617	589	603	480	568	488	558	823	156	6 348	6 348
Interest earned - outstanding debtors	205	227	209	219	199	202	203	210	203	204	200	177	2 497	2 497
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines	354	445	607	518	429	959	643	1 022	656	901	626	26 544	32 766	32 766
License and permits	182	201	141	185	153	142	213	201	162	192	200	234	2 190	2 190
Agency services	258	198	103	245	253	217	274	207	204	337	298	555	3 008	3 008
Grants (except grants - capital)	22 303	188	802	158	469	29 334	578	3 153	11 299	13 542	1 637	3 684	90 274	90 274
Other revenue	893	1 192	1 394	1 502	1 678	1 823	1 440	1 237	1 562	1 678	1 342	880	10 643	10 643
<b>Total Revenue (including capital transfers and grants)</b>	<b>91 493</b>	<b>84 688</b>	<b>84 681</b>	<b>81 739</b>	<b>84 141</b>	<b>85 248</b>	<b>85 682</b>	<b>81 587</b>	<b>79 277</b>	<b>78 306</b>	<b>85 384</b>	<b>160 477</b>	<b>885 053</b>	<b>912 222</b>
<b>Expenditure</b>														
Employee related costs	14 682	20 112	21 100	20 526	32 162	31 168	24 411	25 983	22 555	26 850	21 282	28 516	291 993	291 993
Materials and consumables	727	772	722	722	722	722	722	722	722	722	722	722	8 074	8 074
Depreciation	11 126	10 126	10 126	10 126	10 126	10 126	10 054	10 054	10 119	10 119	10 119	10 119	111 262	111 262
Depreciation - land improvement	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other depreciation	3 176	24 382	21 721	10 407	43 888	21 139	46 762	19 533	17 308	21 259	5 642	30 815	193 573	221 126
Rent payable	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other charges	2 191	2 008	4 538	5 025	4 888	4 888	4 538	4 538	4 837	4 270	4 603	8 783	37 601	37 601
Contracted services	981	2 265	3 798	6 644	5 485	4 680	4 538	4 538	4 538	4 538	4 538	4 538	125 322	125 322
Tenders and grants	3 871	3 640	3 841	3 859	3 745	4 198	4 538	4 538	4 538	4 538	4 538	4 538	48 447	48 447
Other expenditure	2 044	4 311	4 621	5 277	5 177	5 196	8 365	8 897	3 263	4 899	3 925	4 119	36 921	36 921
<b>Total Expenditure</b>	<b>47 943</b>	<b>71 499</b>	<b>71 496</b>	<b>68 034</b>	<b>88 214</b>	<b>93 428</b>	<b>73 651</b>	<b>70 551</b>	<b>71 646</b>	<b>101 338</b>	<b>73 877</b>	<b>148 943</b>	<b>864 529</b>	<b>1 037 491</b>
<b>Surplus/(Deficit)</b>	<b>43 550</b>	<b>13 189</b>	<b>13 185</b>	<b>13 705</b>	<b>(4 073)</b>	<b>(8 180)</b>	<b>12 031</b>	<b>11 036</b>	<b>8 631</b>	<b>(23 032)</b>	<b>11 507</b>	<b>(88 466)</b>	<b>(779 476)</b>	<b>(125 269)</b>
Capital expenditure - capital	2 860	2 860	1 134	3 010	4 634	7 266	3 565	7 565	4 399	7 412	5 313	1 000	63 354	63 354
Contributions - capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contributions - other	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>40 690</b>	<b>10 329</b>	<b>12 051</b>	<b>10 695</b>	<b>(8 707)</b>	<b>(15 446)</b>	<b>8 466</b>	<b>3 471</b>	<b>4 232</b>	<b>(30 620)</b>	<b>6 194</b>	<b>(89 466)</b>	<b>(742 830)</b>	<b>(188 625)</b>
<b>Surplus/(Deficit)</b>	<b>51 406</b>	<b>10 329</b>	<b>12 051</b>	<b>10 695</b>	<b>(8 707)</b>	<b>(15 446)</b>	<b>8 466</b>	<b>3 471</b>	<b>4 232</b>	<b>(30 620)</b>	<b>6 194</b>	<b>(89 466)</b>	<b>(742 830)</b>	<b>(188 625)</b>

OVERSTRAND MUNICIPALITY  
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Table 49 MBRR SA26 - Budgeted monthly revenue and expenditure (municipal vote)

Description	Budget Year 2015/16												Medium Term Revenue and Expenditure Framework		
	July	August	Sept	October	November	December	January	February	March	April	May	June	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>Revenue by Vote</b>															
Vote 1 - Council	22 355	34	28	493	55	19 038	34	31	16 545	6 117	36	41	64 068	72 470	79 794
Vote 2 - Municipal Manager	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 3 - Management Services	62	25	4	114	35	5	61	21	19	60	32	553	961	1 016	1 094
Vote 4 - Finance	19 076	16 454	16 819	16 766	16 435	16 456	16 509	7 810	13 469	13 980	14 022	12 722	180 339	191 921	204 339
Vote 5 - Community Services	17 133	23 302	18 451	17 060	7 592	23 856	22 821	21 132	23 031	27 834	24 744	45 911	272 857	284 007	300 538
Vote 6 - Local Economic Development	25	301	221	355	35	546	126	67	83	521	260	514	3 061	1 573	1 790
Vote 7 - Infrastructure & Planning	31 871	23 776	28 663	25 690	39 016	34 600	24 854	31 474	24 930	29 341	25 064	80 048	399 527	443 945	473 675
Vote 8 - Protection Services	879	758	609	1 001	592	806	1 261	1 451	1 181	1 453	1 225	26 040	37 676	36 164	40 802
<b>Total Revenue by Vote</b>	<b>91 459</b>	<b>64 680</b>	<b>64 601</b>	<b>61 709</b>	<b>64 161</b>	<b>91 308</b>	<b>65 687</b>	<b>61 967</b>	<b>79 277</b>	<b>79 306</b>	<b>65 344</b>	<b>165 831</b>	<b>959 369</b>	<b>1 034 098</b>	<b>1 101 971</b>
<b>Expenditure by Vote to be appropriated</b>															
Vote 1 - Council	4 637	4 958	4 924	5 211	6 880	6 042	4 970	3 456	5 108	5 597	4 464	14 850	71 406	78 840	87 821
Vote 2 - Municipal Manager	274	143	284	504	357	584	449	429	316	448	383	317	4 469	3 643	3 965
Vote 3 - Management Services	4 416	4 813	4 778	2 458	3 095	4 931	2 611	3 466	4 467	656	2 980	4 621	43 327	46 629	48 384
Vote 4 - Finance	2 532	3 867	10 100	10 038	8 768	8 271	6 198	4 939	2 250	3 679	3 407	5 479	69 750	71 154	76 197
Vote 5 - Community Services	10 130	27 005	21 285	25 954	32 279	46 963	34 431	35 147	21 656	42 037	32 495	14 809	341 452	371 463	392 545
Vote 6 - Local Economic Development	306	638	498	402	519	415	548	529	1 383	611	862	1 988	355 753	8 731	7 931
Vote 7 - Infrastructure & Planning	18 078	29 032	28 346	19 620	21 015	23 492	16 878	20 738	32 363	47 756	25 711	75 545	387 020	387 020	407 279
Vote 8 - Protection Services	2 310	3 053	3 381	3 647	4 161	3 041	4 375	3 827	3 782	5 153	3 450	25 373	69 453	72 280	75 200
<b>Total Expenditure by Vote</b>	<b>42 943</b>	<b>73 499</b>	<b>73 496</b>	<b>68 034</b>	<b>76 274</b>	<b>93 439</b>	<b>72 451</b>	<b>70 551</b>	<b>71 846</b>	<b>101 338</b>	<b>73 877</b>	<b>146 943</b>	<b>964 529</b>	<b>1 037 493</b>	<b>1 088 292</b>
<b>Surplus/(Deficit) before assoc.</b>	<b>48 516</b>	<b>(8 819)</b>	<b>(8 895)</b>	<b>(6 325)</b>	<b>(12 114)</b>	<b>1 868</b>	<b>(6 764)</b>	<b>(8 583)</b>	<b>7 632</b>	<b>(22 030)</b>	<b>(8 493)</b>	<b>18 847</b>	<b>(5 140)</b>	<b>(3 395)</b>	<b>3 679</b>
<b>Surplus/(Deficit)</b>	<b>48 516</b>	<b>(8 819)</b>	<b>(8 895)</b>	<b>(6 325)</b>	<b>(12 114)</b>	<b>1 868</b>	<b>(6 764)</b>	<b>(8 583)</b>	<b>7 632</b>	<b>(22 030)</b>	<b>(8 493)</b>	<b>18 847</b>	<b>(5 140)</b>	<b>(3 395)</b>	<b>3 679</b>





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Table 52 MBRR SA29 - Budgeted monthly capital expenditure (standard classification)

WC032 Overstrand - Supporting Table SA29 Budgeted monthly capital expenditure (standard classification)

Description	Budget Year 2015/16												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2015/16	Budget Year v17.04/17	Budget Year v2.10/1716
<b>R thousand</b>															
<b>Capital Expenditure - Standard</b>															
Governance and administration															
Executive and council															
Budget and treasury office															
Corporate services															
Community and public safety															
Community and social services															
Sport and recreation															
Public safety															
Housing															
Health															
<b>Economic and environmental services</b>															
Planning and development															
Road transport															
Environmental protection															
Trading services															
Electricity															
Water															
Waste water management															
Waste management															
Other															
<b>Total Capital Expenditure - Standard</b>	100	719	2 451	9 714	9 931	1 931	1 005	7 151	9 871	9 285	11 040	33 904	103 914	84 406	102 561





MONTHLY CASH FLOWS

[illegible]

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OVERSEAS STRAND MUNICIPALITY

## 2.10 Annual budgets and SDBIP

The SDBIP must be approved by the Executive Mayor no later than 28 days after the approval of the budget.

## 2.11 Contracts having future budgetary implications

In terms of the Municipality's Supply Chain Management Policy all contracts awarded beyond the medium-term revenue and expenditure framework (three years) are listed in Table 70 on page 105. In ensuring adherence to this contractual time frame limitation, all reports submitted to either the Bid Evaluation and Adjudication Committees must obtain formal financial comments from the Financial Management Division of the Treasury Department.

## 2.12 Capital expenditure details

The following four tables present details of the Municipality's capital expenditure programme, firstly on new assets, then the renewal of assets, the repair and maintenance of assets and finally, the depreciation of assets.



Table 54 MBRR SA 34a - Capital expenditure on new assets by asset class

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>Capital expenditure on new assets by Asset Class Sub-class</b>									
Infrastructure	172 045	108 252	50 511	34 500	34 003	34 003	44 873	24 356	41 887
Infrastructure - Road transport	12 754	15 578	9 203	800	1 332	1 332	14 079	5 000	5 000
Roads, Pavements & Bridges	5 477	10 720	8 180	-	-	-	12 103	4 000	4 000
Storm water	7 278	4 858	43	800	1 332	1 332	2 877	1 000	1 000
Infrastructure - Electricity	30 901	22 203	24 180	13 900	13 900	13 900	21 728	8 500	14 500
Generation	-	-	-	-	-	-	-	-	-
Transmission & Distribution	30 901	22 203	24 180	13 900	13 900	13 900	21 728	8 500	14 500
Street Lighting	-	-	-	-	-	-	-	-	-
Infrastructure - Water	87 384	48 634	7 300	-	580	580	4 737	4 728	11 787
Dams & Reservoirs	-	-	-	-	-	-	-	-	8 000
Water purification	87 384	48 634	-	-	-	-	-	-	-
Retreatment	-	-	7 300	-	580	580	4 737	4 728	5 787
Infrastructure - Sanitation	32 850	18 478	9 449	9 900	8 892	8 892	3 420	6 100	10 800
Retreatment	-	-	-	-	-	-	-	-	-
Sewerage purification	32 850	18 478	9 449	9 900	8 892	8 892	3 420	6 100	10 800
Infrastructure - Other	196	5 359	1 400	10 200	9 300	9 300	10	-	-
Waste Management	196	5 359	1 400	10 200	9 300	9 300	10	-	-
Transportation	-	-	-	-	-	-	-	-	-
Gas	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Community	4 183	20 997	13 898	18 284	18 187	18 187	25 611	45 558	55 174
Parks & gardens	-	2 150	-	-	-	-	-	-	-
Sportsfields & stadia	5 538	1 964	5 471	151	1 051	1 051	1 823	6 800	8 900
Swimming pools	-	-	-	-	-	-	-	-	-
Community halls	-	-	-	-	-	-	-	-	-
Libraries	-	3	-	2 000	2 000	2 000	3 080	-	-
Recreational facilities	-	-	-	-	-	-	-	-	-
Fire, safety & emergency	615	223	-	-	-	-	295	-	-
Security and policing	-	-	-	-	-	-	-	-	-
Boats	-	-	-	-	-	-	-	-	-
Clinics	-	-	-	-	-	-	-	-	-
Museums & Art Galleries	-	-	-	-	-	-	-	-	-
Cinemas	-	-	-	-	-	-	-	-	-
Social rental housing	-	18 667	4 943	12 480	31 521	31 521	29 873	34 750	44 374
Other	-	-	3 482	5 635	5 595	5 595	440	4 200	4 000
Heritage assets	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Investment properties	-	-	795	-	-	-	-	-	-
Housing development	-	-	-	-	-	-	-	-	-
Other	-	-	795	-	-	-	-	-	-
Other assets	23 118	9 038	18 697	18 815	17 778	17 778	2 673	3 720	-
General vehicles	6 800	-	8 050	10 525	10 525	10 525	420	3 300	-
Specialised vehicles	-	-	-	-	-	-	-	-	-
Plant & equipment	-	-	-	-	-	-	-	-	-
Computers, hardware & equipment	3 838	-	961	2 548	2 682	2 682	2 528	-	-
Furniture and other office equipment	148	-	-	2 508	2 369	2 369	-	730	-
Assets	-	-	-	-	-	-	-	-	-
Markets	-	-	-	-	-	-	-	-	-
Civic Land and Buildings	-	-	-	-	-	-	-	-	-
Other Buildings	12 332	-	510	-	-	-	-	-	-
Other Land	-	-	8 075	-	-	-	-	-	-
Surplus Assets - (Investment or Inventory)	-	9 038	-	-	-	-	-	-	-
Other	-	-	3 481	1 235	2 200	2 200	23	-	-
Agricultural assets	-	-	-	-	-	-	-	-	-
Land sub-class	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land sub-class	-	-	-	-	-	-	-	-	-
Intangibles	878	1 330	-	-	-	-	-	-	-
Computers, software & programming	878	1 330	-	-	-	-	-	-	-
Other (Int sub-class)	-	-	-	-	-	-	-	-	-
Total Capital Expenditure on new assets	162 375	139 617	83 899	89 581	89 946	89 948	82 136	71 898	87 981



Table 55 MBRR SA34b - Capital expenditure on the renewal of existing assets by asset class

Description	2011/12			2012/13			2013/14			Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18						
<b>Capital expenditure on renewal of existing assets by Asset Class/Sub-class</b>															
<b>Infrastructure</b>	-	121	39 529	25 209	25 384	28 384	16 800	21 900	6 999						
Infrastructure - Road transport	-	121	8 892	5 800	6 300	6 300	-	-	-						
Roads, Pavements & Driveways	-	-	8 892	5 800	6 300	6 300	-	-	-						
Street vendor	-	121	-	-	-	-	-	-	-						
Infrastructure - Electricity	-	-	12 955	3 100	3 100	3 100	-	5 900	1 900						
Generation	-	-	-	-	-	-	-	-	-						
Transmission & Distribution	-	-	12 955	3 100	3 100	3 100	-	5 900	1 900						
Street Lighting	-	-	-	-	-	-	-	-	-						
Infrastructure - Water	-	-	16 331	12 800	15 805	15 805	11 653	10 000	4 000						
Dams & Reservoirs	-	-	-	-	-	-	-	-	-						
Water purification	-	-	-	-	-	-	-	-	-						
Refusalion	-	-	16 331	12 800	15 805	15 805	11 653	10 000	4 000						
Infrastructure - Sanitation	-	-	1 711	3 900	3 178	3 178	4 947	5 900	1 000						
Refusalion	-	-	-	-	-	-	-	-	-						
Sewerage purification	-	-	1 711	3 900	3 178	3 178	4 947	5 900	1 000						
Infrastructure - Other	-	-	1 941	-	-	-	-	-	-						
Waste Management	-	-	1 941	-	-	-	-	-	-						
Transportation	-	-	-	-	-	-	-	-	-						
Gas	-	-	-	-	-	-	-	-	-						
Other	-	-	-	-	-	-	-	-	-						
<b>Community</b>	-	758	5 896	2 939	4 454	4 454	4 158	-	-						
Parks & gardens	-	-	-	-	-	-	-	-	-						
Sportsfields & stadia	-	-	225	2 939	1 955	1 955	4 158	-	-						
Swimming pools	-	-	-	-	-	-	-	-	-						
Community halls	-	-	-	-	-	-	-	-	-						
Libraries	-	-	-	-	-	-	-	-	-						
Recreational facilities	-	-	-	-	-	-	-	-	-						
Fire, safety & emergency	-	-	-	-	-	-	-	-	-						
Security and policing	-	-	-	-	-	-	-	-	-						
Buses	-	-	-	-	-	-	-	-	-						
Clinics	-	-	-	-	-	-	-	-	-						
Museums & Art Galleries	-	-	-	-	-	-	-	-	-						
Cemeteries	-	758	-	-	-	-	-	-	-						
Social rental housing	-	-	5 461	-	2 889	2 889	-	-	-						
Other	-	-	-	-	-	-	-	-	-						
<b>Heritage assets</b>	-	-	-	-	-	-	-	-	-						
Buildings	-	-	-	-	-	-	-	-	-						
Other	-	-	-	-	-	-	-	-	-						
<b>Investment properties</b>	-	-	-	-	-	-	-	-	-						
Housing development	-	-	-	-	-	-	-	-	-						
Other	-	-	-	-	-	-	-	-	-						
<b>Other assets</b>	-	3 260	1 817	-	-	-	-	-	-						
General vehicles	-	3 260	-	-	-	-	-	-	-						
Specialised vehicles	-	-	-	-	-	-	-	-	-						
Plant & equipment	-	-	631	-	-	-	-	-	-						
Computers - hardware/equipment	-	-	-	-	-	-	-	-	-						
Furniture and other office equipment	-	-	-	-	-	-	-	-	-						
Abolition	-	-	-	-	-	-	-	-	-						
Markets	-	-	-	-	-	-	-	-	-						
Civic Land and Buildings	-	-	-	-	-	-	-	-	-						
Other Buildings	-	-	-	-	-	-	-	-	-						
Other Land	-	-	-	-	-	-	-	-	-						
Surplus Assets - (Investment or Inventory)	-	-	984	-	-	-	-	-	-						
Other	-	-	-	-	-	-	-	-	-						
<b>Agricultural assets</b>	-	-	-	-	-	-	-	-	-						
Let sub-class	-	-	-	-	-	-	-	-	-						
<b>Biological assets</b>	-	-	-	-	-	-	-	-	-						
Let sub-class	-	-	-	-	-	-	-	-	-						
<b>Intangibles</b>	-	-	-	-	-	-	-	-	-						
Computers - software & programming	-	-	-	-	-	-	-	-	-						
Let sub-class	-	-	-	-	-	-	-	-	-						
<b>Total Capital Expenditure on renewal of existing assets</b>	-	4 147	57 032	28 139	33 258	37 438	29 758	31 950	6 999						
<b>Renewal of Existing Assets as % of total capex</b>	0.1%	2.9%	26.2%	28.8%	27.2%	27.9%	24.2%	26.2%	12.5%						
<b>Renewal of Existing Assets as % of depnch</b>	0.0%	4.0%	47.3%	25.8%	31.1%	31.1%	18.6%	20.6%	12.5%						





Table 56 MBRR SA34c - Repairs and maintenance expenditure by asset class

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2013/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>Repairs and maintenance expenditure by Asset Class/Sub-class</b>									
<b>Infrastructure</b>	43 120	47 048	52 143	134 732	136 752	136 752	111 448	117 885	122 341
Infrastructure - Road Network	35 943	42 235	53 748	88 640	88 640	88 640	57 080	60 842	64 640
Roads, Pavements & Bridges	25 231	30 790	50 616	62 232	62 232	62 232	51 401	54 748	58 088
Storm water	911	2 445	3 732	8 308	8 308	8 308	5 689	6 094	6 452
Infrastructure - Electricity	4 901	14 105	20 488	25 491	25 491	25 491	18 835	17 340	22 881
Generation	-	-	-	-	-	-	-	-	-
Transmission & Distribution	4 901	14 105	20 488	25 491	25 491	25 491	18 835	17 340	22 881
Street Lighting	-	-	-	-	-	-	-	-	-
Infrastructure - Water	6 892	31 502	27 931	26 775	26 775	26 775	22 874	24 001	24 203
Dams & Reservoirs	92	90	-	-	-	-	-	-	-
Water purification	1 709	1 383	-	-	-	-	-	-	-
Retreatment	3 132	18 418	27 831	26 775	26 775	26 775	22 874	24 001	24 203
Infrastructure - Sanitation	4 588	7 708	15 486	14 146	14 146	14 146	12 159	12 963	16 387
Retreatment	3 687	5 623	-	-	-	-	-	-	-
Sewerage purification	882	1 085	15 486	14 146	14 146	14 146	12 159	12 963	16 387
Infrastructure - Other	1 215	1 499	1 491	1 800	1 800	1 800	2 492	2 719	4 130
Waste Management	1 215	1 499	1 491	1 800	1 800	1 800	2 492	2 719	4 130
Transmission	-	-	-	-	-	-	-	-	-
Gas	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>Community</b>	8 012	5 408	7 348	8 298	8 298	8 298	4 546	4 391	8 211
Parks & gardens	1 410	1 503	2 504	2 819	2 819	2 819	2 084	2 218	3 091
Sportsfields & clubs	456	956	851	1 021	1 021	1 021	988	642	1 026
Swimming pools	226	288	279	302	302	302	483	513	523
Community halls	734	918	814	968	968	968	554	609	1 076
Libraries	180	181	184	171	171	171	58	105	174
Recreation facilities	-	-	-	-	-	-	-	-	-
Fire safety & emergency	538	848	787	1 185	1 185	1 185	-	-	-
Security and policing	524	548	575	781	781	781	-	-	-
Buses	-	-	-	-	-	-	-	-	-
Clerical	-	-	-	-	-	-	-	-	-
Museums & Art Galleries	-	-	-	-	-	-	-	-	-
Comptrols	37	62	51	51	51	51	27	29	31
Social rental housing	-	-	-	-	-	-	-	-	-
Other	1 905	125	1 065	1 724	1 724	1 724	701	288	1 385
<b>Heritage assets</b>	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>Investment properties</b>	279	-	-	-	-	-	-	-	-
Housing development	279	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>Other assets</b>	12 443	21 954	12 864	16 218	16 218	16 218	5 081	4 559	9 202
General vehicles	4 082	5 360	-	-	-	-	-	-	-
Specialised vehicles	-	-	-	-	-	-	-	-	-
Plant & equipment	-	-	-	-	-	-	-	-	-
Computers - hardware/equipment	4 309	5 035	4 441	6 157	6 157	6 157	-	-	-
Furniture and other office equipment	-	-	-	-	-	-	-	-	-
Aircraft	-	-	-	-	-	-	-	-	-
Marine	-	-	-	-	-	-	-	-	-
Civic Land and Buildings	-	-	-	-	-	-	-	-	-
Other Buildings	1 023	1 368	824	1 214	1 214	1 214	651	701	1 249
Other Land	-	-	-	-	-	-	-	-	-
Surplus Assets - (Investment inventory)	-	-	-	-	-	-	-	-	-
Other	5 429	10 185	6 599	8 346	8 346	8 346	4 429	3 858	7 953
<b>Informational assets</b>	-	-	-	-	-	-	-	-	-
Lat sub-cases	-	-	-	-	-	-	-	-	-
<b>Biological assets</b>	-	-	-	-	-	-	-	-	-
Lat sub-cases	-	-	-	-	-	-	-	-	-
<b>Intangibles</b>	-	-	-	-	-	-	-	-	-
Computers - software & programming	-	-	-	-	-	-	-	-	-
Other (Lat sub-cases)	-	-	-	-	-	-	-	-	-
<b>Total Repairs and Maintenance Expenditure</b>	64 645	114 414	150 355	162 268	162 268	162 268	121 077	128 814	150 754
<b>R&amp;M as a % of PPE</b>	2.1%	2.7%	4.9%	2.2%	2.2%	2.2%	2.9%	4.1%	4.9%
<b>R&amp;M as a % Operating Expenditure</b>	8.7%	15.3%	18.1%	14.7%	17.4%	17.4%	12.4%	12.3%	13.7%





Table 57 MBRR SA34d – Depreciation by asset class

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>R thousand</b>									
<b>Depreciation by Asset Class/Sub-class</b>									
<b>Infrastructure</b>	97 037	91 931	95 101	93 344	91 038	91 038	94 154	89 603	105 792
Infrastructure - Road Transport	36 340	29 092	30 210	31 514	31 812	31 812	32 235	34 189	36 219
Roads, Pavements & Bridges	34 105	27 999	27 966	29 493	29 387	29 367	29 543	31 424	33 309
Storm water	2 235	2 033	2 245	2 021	2 245	2 245	2 590	2 745	2 910
Infrastructure - Electricity	18 441	18 779	18 887	22 789	21 589	21 589	20 158	21 368	22 650
Generation									
Transmission & Retention	18 441	18 779	18 887	22 789	21 589	21 589	20 158	21 368	22 650
Street Lighting									
Infrastructure - Water	18 029	16 865	18 974	20 368	18 933	18 933	19 981	21 179	22 450
Dams & Reservoirs	18 029	16 865	18 974	20 368					
Water purification									
Retention					18 933	18 933	19 981	21 179	22 450
Infrastructure - Sanitation	13 422	13 420	14 103	15 067	17 128	17 128	17 034	18 056	19 140
Retention	13 422	13 420	14 103	15 067	15 067	15 067	17 034	18 056	19 140
Sewerage purification					2 061	2 061			
Infrastructure - Other	2 504	2 374	2 928	3 607	2 196	2 196	4 748	5 031	5 332
Waste Management	2 188	2 356	2 928	3 607	2 196	2 196	3 930	4 166	4 416
Transportation									
Gas									
Other	632	618					818	865	917
<b>Community</b>	4 358	2 351	2 991	4 822	3 305	3 305	3 601	3 617	4 046
Parks & gardens									
Sportsfields & stadia									
Swimming pools									
Community halls									
Libraries									
Recreational facilities	4 358	2 351	2 991	4 822	3 305	3 305	3 601	3 617	4 046
Fire, safety & emergency									
Security and policing									
Busstop									
Clinics									
Museums & Art Galleries									
Cemeteries									
Social rental housing									
Other									
<b>Medicine assets</b>									
Buildings									
Other									
<b>Investment properties</b>									
Housing development									
Other									
<b>Other assets</b>	12 427	19 353	10 679	10 218	10 236	10 236	12 481	13 230	14 023
General vehicles	2 977	2 360	2 588	2 390	2 360	2 360			
Specialised vehicles									
Plant & equipment									
Computers - hardware/equipment	1 334	1 948	2 213	1 949	2 002	2 002			
Furniture and other office equipment	244	254	251	254	322	322			
Assets									
Markets									
Civic Land and Buildings							5 045	6 026	6 388
Other Buildings	5 990	5 467	5 908	5 054	5 551	5 551			
Other Land									
Surplus Assets - (Investment Inventory)									
Other	3 111	9 224					6 739	7 204	7 636
<b>Agricultural assets</b>									
Land sub-class									
<b>Biological assets</b>									
Land sub-class									
<b>Intangibles</b>	219	373	629	883	883	883	1 126	1 193	1 265
Computers - software & programming	219	373	629	883	883	883			
Other (No sub-class)							1 126	1 193	1 265
<b>Total Depreciation</b>	104 041	104 408	99 281	109 368	105 461	105 461	111 363	118 843	129 128



Table 58 MBRR SA35 - Future financial implications of the capital budget

Vote Description R thousand	2015/16 Medium Term Revenue & Expenditure Framework			Forecasts			
	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18	Forecast 2018/19	Forecast 2019/20	Forecast 2020/21	Present value
<b>Capital expenditure</b>							
Vote 1 - Council	-	-	-				
Vote 2 - Municipal Manager	-	-	-				
Vote 3 - Management Services	2 528	-	-				
Vote 4 - Finance	-	-	-				
Vote 5 - Community Services	64 467	76 606	83 561	5 000			
Vote 6 - Local Economic Development	-	-	-				
Vote 7 - Infrastructure & Planning	18 420	18 000	20 000	15 500	5 000		
Vote 8 - Protection Services	100	-	-				
<b>Total Capital Expenditure</b>	<b>85 515</b>	<b>94 606</b>	<b>103 561</b>	<b>20 500</b>	<b>5 000</b>	<b>-</b>	<b>-</b>



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IDP and major projects	Indisputably Approved (100%)	Asset Class	Asset Sub-Class	Gift in accordance	Total Project Estimate	Prior year activities		2015/16 Budgeted Term Expenditure Forecast		Project information		
						Assets Disposed 2015/16	Current Year Forecast	Budget Year 2015/16	Budget Year 2016/17	Yearly Release	Open as current	
Strategic Value-added project	1	Yes	Other	Other	177%	31,328	905	905	18,917	18,917	Overhead	None
	2	Yes	Other	Other	177%	9,402	109	109	18,917	18,917	Overhead	None
	3	Yes	Other	Other	177%	9,402	109	109	18,917	18,917	Overhead	None
	4	Yes	Other	Other	177%	9,402	109	109	18,917	18,917	Overhead	None
	5	Yes	Other	Other	177%	9,402	109	109	18,917	18,917	Overhead	None
	6	Yes	Other	Other	177%	9,402	109	109	18,917	18,917	Overhead	None
	7	Yes	Other	Other	177%	9,402	109	109	18,917	18,917	Overhead	None
	8	Yes	Other	Other	177%	9,402	109	109	18,917	18,917	Overhead	None
	9	Yes	Other	Other	177%	9,402	109	109	18,917	18,917	Overhead	None
	10	Yes	Other	Other	177%	9,402	109	109	18,917	18,917	Overhead	None
	11	Yes	Other	Other	177%	9,402	109	109	18,917	18,917	Overhead	None
	12	Yes	Other	Other	177%	9,402	109	109	18,917	18,917	Overhead	None
	13	Yes	Other	Other	177%	9,402	109	109	18,917	18,917	Overhead	None
	14	Yes	Other	Other	177%	9,402	109	109	18,917	18,917	Overhead	None
	15	Yes	Other	Other	177%	9,402	109	109	18,917	18,917	Overhead	None
16	Yes	Other	Other	177%	9,402	109	109	18,917	18,917	Overhead	None	
17	Yes	Other	Other	177%	9,402	109	109	18,917	18,917	Overhead	None	
18	Yes	Other	Other	177%	9,402	109	109	18,917	18,917	Overhead	None	
19	Yes	Other	Other	177%	9,402	109	109	18,917	18,917	Overhead	None	
20	Yes	Other	Other	177%	9,402	109	109	18,917	18,917	Overhead	None	
21	Yes	Other	Other	177%	9,402	109	109	18,917	18,917	Overhead	None	
22	Yes	Other	Other	177%	9,402	109	109	18,917	18,917	Overhead	None	
23	Yes	Other	Other	177%	9,402	109	109	18,917	18,917	Overhead	None	
24	Yes	Other	Other	177%	9,402	109	109	18,917	18,917	Overhead	None	
25	Yes	Other	Other	177%	9,402	109	109	18,917	18,917	Overhead	None	
26	Yes	Other	Other	177%	9,402	109	109	18,917	18,917	Overhead	None	
27	Yes	Other	Other	177%	9,402	109	109	18,917	18,917	Overhead	None	
28	Yes	Other	Other	177%	9,402	109	109	18,917	18,917	Overhead	None	
29	Yes	Other	Other	177%	9,402	109	109	18,917	18,917	Overhead	None	
30	Yes	Other	Other	177%	9,402	109	109	18,917	18,917	Overhead	None	
31	Yes	Other	Other	177%	9,402	109	109	18,917	18,917	Overhead	None	
32	Yes	Other	Other	177%	9,402	109	109	18,917	18,917	Overhead	None	
33	Yes	Other	Other	177%	9,402	109	109	18,917	18,917	Overhead	None	
34	Yes	Other	Other	177%	9,402	109	109	18,917	18,917	Overhead	None</	

## Detailed capital budget per municipal vote (continued)

[illegible]

OVERSTRAND MUNICIPALITY  
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*Sonant*  
OVERSTRAND MUNICIPALITY

## Detailed capital budget per municipal vote (continued)

[illegible]



Table 60 MBRR SA37 - Projects delayed from previous financial year

Municipal Voted/Capital project	Asset Class	Asset Sub-Class	GPS co-ordinates	Previous target year to complete	Current Year 2014/15		2015/16 Medium Term Revenue & Expenditure Framework	
					Original Budget	Full Year Forecast	Budget Year 2015/16	Budget Year 2016/17
								±2 2017/18
R thousand				Year				
Floodlights @wille Sport grounds	Community	Sportfields & stadia	19°12'55"E 34°24'28"S	2015	555		555	
Floodlights-Hawston Sport grounds	Community	Sportfields & stadia	19°7'20"E 34°27'38"E	2015	500		500	
Electrification of housing projects	Infrastructure - Electricity	Transmission & Reticalation	19°11'09"E 34°25'30"S	2015	4 671	3 112	1 538	
Hermanus: Main Str to Royal 2nd supply feeder	Infrastructure - Electricity	Transmission & Reticalation	34°25'08.54"S 19°14'16.34"E	2015	1 500	1 623	471	
Electrification in informal areas	Infrastructure - Electricity	Transmission & Reticalation	34°25'57.30"S 19°12'50.73"E	2015	1 083	622	462	
Hermanus: LV Upgrade/Replacement	Infrastructure - Electricity	Transmission & Reticalation	34°25'03.44"S 19°12'42.88"E	2015	2 100	1 638	462	
Kleinmond: MV & LV network upgrade	Infrastructure - Electricity	Transmission & Reticalation	34°26'33.67"S 19°07'19.94"E	2015	2 500	1 540	900	
Hawston: LV Upgrade/Replacement	Infrastructure - Electricity	Transmission & Reticalation	34°23'27.10"S 19°08'10.12"E	2015	1 000	712	288	
Barakkersdorp Bulk water supply upgrade	Infrastructure - Water	Dams & Reservoirs	33°14'48.00"E 19°24'14.0"	2015	297	233	64	
Upgrading of Kibbrooke Pipeline	Infrastructure - Other	Other	33°24'48.00"E 19°10.00"	2015	1 500	1 400	100	



## Supporting detail to budgeted financial performance (Continued)

Description	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
<b>R thousand</b>									
<b>Contributions recognised - capital</b>									
Public contribution - non cash - assets	4 471	4 387	7 871						
GWA ACIP project	1 302	-		1 000	1 000	1 000			
Government contribution - non cash - assets	-	180							
KM CSIR	395	-							
Spaces for sport/lotto	156	200		51	1 134	1 134	1 000		
Edison Solar Rebate/ Stony Point Eco Centre et	2 280	522		1 083	(83)	(83)			
<b>Total Contributions recognised - capital</b>	<b>8 603</b>	<b>5 289</b>	<b>7 871</b>	<b>2 134</b>	<b>2 051</b>	<b>2 051</b>	<b>1 000</b>	<b>-</b>	<b>-</b>
<b>Depreciation &amp; asset impairment</b>									
Depreciation of Property Plant & Equipment	100 930	94 848	99 130	109 285	105 461	105 461	111 362	118 043	125 126
Lease amortisation		235	231						
Capital asset impairment	3 111	9 224							
Depreciation resulting from revaluation of PPE									
<b>Total Depreciation &amp; asset impairment</b>	<b>104 041</b>	<b>104 408</b>	<b>99 361</b>	<b>109 285</b>	<b>105 461</b>	<b>105 461</b>	<b>111 362</b>	<b>118 043</b>	<b>125 126</b>
<b>Bulk purchases</b>									
Electricity Bulk Purchases	126 669	145 022	157 055	169 444	169 444	169 444	193 573	221 138	252 628
Water Bulk Purchases									
<b>Total bulk purchases</b>	<b>126 669</b>	<b>145 022</b>	<b>157 055</b>	<b>169 444</b>	<b>169 444</b>	<b>169 444</b>	<b>193 573</b>	<b>221 138</b>	<b>252 628</b>
<b>Transfers and grants</b>									
Cash transfers and grants	28 454	35 858	38 749	41 370	41 668	41 668	48 497	54 667	62 244
Non-cash transfers and grants	-	-	-	-	-	-	-	-	-
<b>Total transfers and grants</b>	<b>28 454</b>	<b>35 858</b>	<b>38 749</b>	<b>41 370</b>	<b>41 668</b>	<b>41 668</b>	<b>48 497</b>	<b>54 667</b>	<b>62 244</b>
<b>Contracted services</b>									
Specialist services									
Other contractors									
Ward projects	5 247	5 679	3 129	1 566	1 566	1 566			
Vehicle maintenance	4 752	4 925	5 555	6 198	6 676	6 676			
Maintenance contractors	41	45 980	49 471	56 483	58 451	58 451			
Contracted services	14 069	11 743	15 488	17 816	18 773	18 773			
Maintenance Of Unspecified Assets							25 439	26 455	28 089
Maintenance Of Buildings & Facilities							15 463	16 299	17 241
Haillage							7 685	8 004	8 351
Civil							6 828	7 156	7 586
Litter Picking & Street Cleaning							8 430	8 835	9 281
Security Servs							5 219	5 305	5 380
Safeguard & Security							5 028	5 305	5 538
Business & Advisory - Vinner							4 488	1 541	1 275
Meter Management							4 367	4 588	4 854
Maintenance Of Equip							4 177	3 537	3 757
Business & Advisory - Project Management							4 017	4 115	4 412
Traffic Fines Management							3 968	4 206	4 458
Dumping Sites							3 423	3 753	4 127
Infrastructure & Planning - Ecological							2 640	2 796	2 964
Legal Cost - Legal Advice & Litigation							2 597	2 752	2 916
Chipping							2 490	2 839	2 758
Management Of Informal Settlements							1 981	2 190	2 226
Laboratory Servs - Water							1 802	1 910	2 025
Sewerage Servs							1 772	1 878	1 891
Infrastructure & Planning - Town Planner							1 700	1 802	1 916
Electricity							1 060	1 036	1 013
Other contractors							12 734	13 502	14 322
<b>sub-total</b>	<b>24 079</b>	<b>57 897</b>	<b>72 754</b>	<b>81 062</b>	<b>82 467</b>	<b>82 467</b>	<b>125 322</b>	<b>128 122</b>	<b>135 442</b>
<b>Allocations to organs of state:</b>									
Electricity									
Water									
Sanitation									
Other									
<b>Total contracted services</b>	<b>24 079</b>	<b>57 897</b>	<b>72 754</b>	<b>81 062</b>	<b>82 467</b>	<b>82 467</b>	<b>125 322</b>	<b>128 122</b>	<b>135 442</b>



## Supporting detail to budgeted financial performance (Continued)

Description	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
R thousand									
<b>Other Expenditure By Type</b>									
Collection costs									
Contributors to 'other' provisions	3 601	3 246	(12 399)	3 010	49 216	49 216			
Consultant fees	10 796	9 376	9 431	12 858	12 858	12 858			
Audit fees (External)	2 501	2 989	3 559	4 104	4 104	4 104	4 514	4 786	5 073
General expenses	22 505	18 384	19 600	13 244	14 678	14 678	5 302	5 810	6 450
Conditional receipts expenses	54 612	4 133	29 072	3 382	5 189	5 189			
Property valuation charges	2 418	1 030	442	1 100	1 000	1 000			
Water catchment, research and testing	5 848	5 295	4 266	4 260	4 260	4 260			
Fuel and oil	9 042	9 903	11 477	12 506	12 514	12 514			
Chemicals	6 441	9 488	10 553	9 664	9 649	9 649			
Legal fees	2 766	1 669	3 017	1 100	1 940	1 940			
Telephone and fax	3 912	2 634	2 839	3 342	3 142	3 142	3 648	3 221	3 431
Tourism development	2 824	2 732	2 796	2 618	1 649	1 649			
Security services	3 435	3 759	4 262	4 325	4 495	4 495			
Solid waste dumping fees	1 375	—	—	—	—	—			
Solid waste haulage	4 146	6 319	7 742	8 217	8 136	8 136			
Hermaus public protection	3 603	3 921	4 251	5 029	5 029	5 029			
Training	2 748	2 363	1 804	2 300	2 299	2 299	2 000	2 120	2 247
Prepaid Electricity	2 575	3 246	3 652	4 672	4 494	4 494	3 804	4 032	4 274
Commission paid	3 416	4 014	1 019	1 145	1 145	1 145	1 213	1 286	1 363
Advertising	1 386	1 511	1 905	1 623	1 668	1 668			
Management of informal settlements	1 475	1 513	1 982	1 869	1 869	1 869	1 981	2 100	2 226
Insurance	1 651	2 146	2 363	2 750	2 500	2 500	2 350	2 696	2 796
Printing and stationery	1 968	1 875	2 035	2 309	2 309	2 309			
Solid waste chipping	2 969	2 151	2 076	2 809	2 583	2 583			
Special projects	1 059	1 270	714	868	868	868			
Workmen's Compensation Assurance				1 650	1 650	1 650	1 750	1 802	1 910
SALGA Membership Fees				2 505	2 505	2 505			
Rentals (Equipment & Offices)				1 731	1 426	1 426			
Postage & Courier Services				1 818	1 788	1 788	1 571	1 860	2 181
Decommissioning Cost							4 619	4 898	5 190
Op Cost - Prof Bodies Memb & Subs							3 365	3 416	3 617
Specialised Computer Service							2 452	2 611	2 781
Op Cost - Uniform & Protective Clothing							2 396	2 433	2 577
Operational Cost - Skills Dev Fund Lev							2 082	2 231	2 367
Infrastructure & Planning - Town Plan							1 700	1 747	1 852
Software Licences							2 051	2 184	2 328
Dumping Fees (District Council)							1 724	1 931	1 942
Bank Chgs Fac & Card Fees - Bank Account							1 639	1 738	1 842
Op Cost - Printing & Publications							1 471	1 543	1 636
Third Party Vendors							1 213	1 286	1 363
Operating Lease							1 170	1 245	1 325
Wireless Network							937	998	1 063
Corporate Municipal Activities							721	767	807
Op Cost - Remuneration To Ward Commis							689	689	689
System Adviser							634	685	740
Tenders							612	648	687
Op Cost - Levies Paid - HQ Res Man Chrg							560	575	594
Municipal Newsletters							454	483	515
<b>Total 'Other' Expenditure</b>	<b>156 290</b>	<b>102 146</b>	<b>117 460</b>	<b>117 407</b>	<b>164 563</b>	<b>164 963</b>	<b>58 021</b>	<b>61 721</b>	<b>65 868</b>
<b>Repairs and Maintenance</b>									
Employee related costs	15 563	27 460	35 905	40 285	40 285	40 285	45 175	47 787	50 645
Other materials	5 188	9 153	8 865	8 807	8 807	8 807	14 541	15 638	16 361
Contracted Services	12 320	21 740	32 675	34 161	34 964	34 964	35 194	37 739	39 968
Other Expenditure	31 174	56 061	72 912	79 016	79 016	79 016	28 167	25 650	43 884



Table 62 MBRR Table SA2 – Matrix financial performance budget (revenue source/expenditure type and department)

Description	Vote 1 - Council	Vote 2 - Municipal Manager	Vote 3 - Management Services	Vote 4 - Finance	Vote 5 - Community Services	Vote 6 - Local Economic Development	Vote 7 - Infrastructure & Planning	Vote 8 - Protection Services	Total
<b>R thousand</b>									
<b>Revenue By Source</b>									
Property rates - penalties & collection charges	-	-	-	162 730	-	-	-	-	162 730
Service charges - electricity revenue	-	-	-	891	-	-	-	-	891
Service charges - water revenue	-	-	-	616	-	-	338 261	-	338 877
Service charges - sanitation revenue	-	-	-	-	102 045	-	-	-	102 045
Service charges - refuse revenue	-	-	-	-	66 375	-	-	-	66 375
Service charges - other	-	-	-	-	59 488	-	-	-	59 488
Rental of facilities and equipment	-	-	-	-	11 815	-	43	-	11 859
Interest earned - external investments	-	-	-	6 348	-	-	-	-	6 348
Dividends received	-	-	-	2 437	-	-	-	-	2 437
Fines	-	-	-	-	-	-	-	-	-
Licences and permits	-	-	-	-	67	-	-	-	67
Agency services	-	-	-	-	484	-	-	-	484
Other revenue	210	-	-	5 868	1 749	-	-	31 792	31 859
Transfers recognised - operational	64 598	-	61	1 450	5 474	1 430	6 117	1 706	2 190
Gains on disposal of PPE	-	-	-	-	-	1 661	17 141	2 970	2 970
<b>Total Revenue (excluding capital transfers and</b>	<b>64 808</b>	<b>-</b>	<b>61</b>	<b>160 339</b>	<b>247 498</b>	<b>3 091</b>	<b>361 563</b>	<b>37 676</b>	<b>895 035</b>
<b>Expenditure By Type</b>									
Employee related costs	8 330	4 026	19 897	37 345	141 871	4 813	44 590	30 731	291 593
Remuneration of councillors	8 674	-	-	-	-	-	-	-	8 674
Depreciation	-	-	-	-	-	-	-	-	-
Depreciation & asset impairment	22	18	2 267	288	79 250	126	28 206	22 752	111 362
Finance charges	-	-	54	113	30 030	-	-	1 175	30 307
Bulk purchases	-	-	-	-	-	-	-	-	-
Other materials	20	34	309	377	24 070	128	193 573	2 298	193 573
Contracted services	-	-	7 403	2 408	57 475	423	30 566	10 573	57 601
Transfers and grants	46 670	-	276	-	-	1 649	47 038	-	48 937
Other expenditure	7 671	411	1 380	29 197	8 920	3 241	5 318	1 894	58 021
Loss on disposal of PPE	-	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>	<b>71 267</b>	<b>4 485</b>	<b>31 588</b>	<b>69 733</b>	<b>341 618</b>	<b>10 379</b>	<b>365 982</b>	<b>68 453</b>	<b>964 529</b>
<b>Surplus/(Deficit)</b>	<b>(6 459)</b>	<b>(4 485)</b>	<b>(31 527)</b>	<b>110 606</b>	<b>(94 120)</b>	<b>(7 288)</b>	<b>(4 420)</b>	<b>(31 777)</b>	<b>(69 494)</b>
Transfers recognised - capital	-	-	930	-	24 451	-	37 973	-	63 354
Contributions recognised - capital	-	-	-	-	1 000	-	-	-	1 000
Contributed assets	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>(6 479)</b>	<b>(4 486)</b>	<b>(30 597)</b>	<b>110 606</b>	<b>(68 669)</b>	<b>(7 288)</b>	<b>33 553</b>	<b>(31 777)</b>	<b>(5 140)</b>



Table 63 MBRR Table SA3 – Supporting detail to Statement of Financial Position

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand									
<b>ASSETS</b>									
<b>Call investment deposits</b>									
Call deposits < 90 days	75 000	55 042	50 039						
Other current investments > 90 days									
<b>Total Call investment deposits</b>	<b>75 000</b>	<b>55 042</b>	<b>50 039</b>						
<b>Consumer debtors</b>									
Consumer debtors	68 475	65 541	63 810	69 091	69 091	69 091	67 774	71 841	76 151
Less: Provision for debt impairment	(18 110)	(16 916)	(16 359)	(16 500)	(16 500)	(16 500)	(16 000)	(15 500)	(15 000)
<b>Total Consumer debtors</b>	<b>50 361</b>	<b>48 625</b>	<b>47 451</b>	<b>52 591</b>	<b>52 591</b>	<b>52 591</b>	<b>51 774</b>	<b>56 341</b>	<b>61 151</b>
<b>Debt impairment provision</b>									
Balance at the beginning of the year	20 232	18 114	16 916	17 000	17 000	17 000	16 500	16 000	15 500
Contributions to the provision	(180)	594	(107)						
Bad debts written off	(1 328)	(1 732)	(443)	(500)	(500)	(500)	(500)	(500)	(500)
<b>Balance at end of year</b>	<b>18 114</b>	<b>16 916</b>	<b>16 359</b>	<b>16 500</b>	<b>16 500</b>	<b>16 500</b>	<b>16 000</b>	<b>15 500</b>	<b>15 000</b>
<b>Property, plant and equipment (PPE)</b>									
PPE at cost/valuation (excl. finance leases)	5 709 825	5 819 933	5 900 308	6 061 941	6 126 505	6 126 505	6 120 657	6 215 263	6 318 825
Leases recognised as PPE	1 208	1 379	139	1 406	1 406	1 406	5 923	6 923	6 923
Less: Accumulated depreciation	2 637 823	2 724 182	2 789 362	2 960 924	2 987 120	2 987 120	3 065 433	3 122 508	3 248 567
<b>Total Property, plant and equipment (PPE)</b>	<b>3 073 210</b>	<b>3 097 130</b>	<b>3 111 085</b>	<b>3 102 423</b>	<b>3 140 791</b>	<b>3 140 791</b>	<b>3 121 147</b>	<b>3 099 678</b>	<b>3 076 181</b>
<b>LIABILITIES</b>									
<b>Current liabilities - Borrowing</b>									
Short term loans (other than bank overdraft)	374	495	63	1 176	1 135	1 135	1 271	1 352	1 538
Current portion of long-term liabilities	16 424	17 758	20 381	23 929	23 929	23 929	26 641	29 378	32 831
<b>Total Current liabilities - Borrowing</b>	<b>16 798</b>	<b>18 253</b>	<b>20 444</b>	<b>25 105</b>	<b>25 064</b>	<b>25 064</b>	<b>28 112</b>	<b>30 730</b>	<b>34 369</b>
<b>Trade and other payables</b>									
Trade and other creditors	63 172	71 706	61 518	65 831	60 563	60 563	74 229	70 679	84 789
Unspent conditional transfers	4 555	7 783	3 425	-	-	-	-	-	-
VAT									
<b>Total Trade and other payables</b>	<b>67 727</b>	<b>79 489</b>	<b>64 943</b>	<b>65 831</b>	<b>60 563</b>	<b>60 563</b>	<b>74 229</b>	<b>70 679</b>	<b>84 789</b>
<b>Non-current liabilities - Borrowing</b>									
Borrowing	340 581	364 394	392 444	407 225	407 225	407 225	411 667	412 288	409 060
Finance leases (including PPP asset element)	623	238	-	4 641	5 604	5 604	4 333	2 981	1 443
<b>Total Non-current liabilities - Borrowing</b>	<b>341 204</b>	<b>364 632</b>	<b>392 444</b>	<b>411 866</b>	<b>412 829</b>	<b>412 829</b>	<b>415 999</b>	<b>415 269</b>	<b>410 503</b>
<b>Provisions - non-current</b>									
Retirement benefits	71 562	79 887	95 535	92 875	107 290	107 290	113 727	120 561	127 784
List other major provision items									
Refuse landfill site rehabilitation	32 057	31 933	24 054	36 617	64 550	64 550	79 422	82 528	86 880
Other	7 478	7 498	8 938	9 008	9 040	9 040	9 520	10 028	10 568
<b>Total Provisions - non-current</b>	<b>111 097</b>	<b>119 318</b>	<b>128 527</b>	<b>137 500</b>	<b>180 879</b>	<b>180 879</b>	<b>202 669</b>	<b>213 117</b>	<b>225 231</b>
<b>CHANGES IN NET ASSETS</b>									
<b>Accumulated Surplus/(Deficit)</b>									
Accumulated Surplus/(Deficit) - opening balance	2 584 679	2 847 332	2 855 854	2 867 322	2 857 322	2 867 322	2 738 817	2 733 677	2 730 282
GRAP adjustments	364 261	(9 929)	(6 220)						
Restated balance	2 928 940	2 837 403	2 849 634	2 867 322	2 857 322	2 867 322	2 738 817	2 733 677	2 730 282
Surplus/(Deficit)	(81 807)	10 899	(45 015)	(48 747)	(65 423)	(65 423)	(5 140)	(3 355)	3 679
Appropriations to Reserves									
Transfers from Reserves		1 333	620						
Depreciation charges									
Other adjustments									
<b>Accumulated Surplus/(Deficit)</b>	<b>2 847 332</b>	<b>2 849 634</b>	<b>2 805 240</b>	<b>2 808 575</b>	<b>2 791 899</b>	<b>2 791 899</b>	<b>2 733 677</b>	<b>2 730 282</b>	<b>2 733 960</b>
<b>Reserves</b>									
Housing Development Fund	1 920	1 891	2 565	1 934	2 573	2 573	2 637	2 703	2 757
Capital replacement									
Self-insurance									
Other reserves									
Revaluation									
<b>Total Reserves</b>	<b>1 920</b>	<b>1 891</b>	<b>2 565</b>	<b>1 934</b>	<b>2 573</b>	<b>2 573</b>	<b>2 637</b>	<b>2 703</b>	<b>2 757</b>
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	<b>2 849 252</b>	<b>2 851 526</b>	<b>2 807 805</b>	<b>2 810 509</b>	<b>2 794 472</b>	<b>2 794 472</b>	<b>2 736 314</b>	<b>2 732 985</b>	<b>2 736 717</b>





Table 64 MBRR Table SA9 – Social, economic and demographic statistics and assumptions

Description of economic indicator	Basis of calculation	2011 Census	2007 Survey	2011 Census	2011/12	2012/13	2013/14	Current Year 2014/15	2015/16 Medium Term Revenue & Expenditure Framework		
					Outcome	Outcome	Outcome	Original Budget	Outcome	Outcome	Outcome
<b>Demographics</b>											
Population		55	72	80	83	87	90	93	97	101	108
Females aged 5 - 14		3	6	5	5	5	5	6	6	7	7
Males aged 5 - 14		3	6	5	5	5	6	6	6	7	7
Females aged 15 - 34		6	12	13	14	14	15	15	16	16	18
Males aged 15 - 34		6	11	14	14	15	15	16	16	17	18
Unemployment		5	8	8	4	6	5	5	5	5	6
<b>Monthly household income (no. of households)</b>											
No income		2 226	770	4 925	4 759	4 340	5 128	5 323	6 525	5 735	5 353
R1 - R1 600		9 149	5 307	8 306	5 528	9 738	5 967	6 183	6 418	6 562	6 315
R1 601 - R1 200		3 742	3 177	4 878	5 063	5 256	5 455	5 663	5 878	6 101	6 333
R2 201 - R2 400		3 244	3 185	4 362	4 525	4 700	4 873	5 044	5 256	5 495	5 663
R3 401 - R3 600		2 303	2 750	3 830	3 675	4 127	4 283	4 446	4 615	4 791	4 973
R4 601 - R4 800		520	1 947	2 826	3 006	3 120	3 239	3 362	3 489	3 622	3 760
R5 801 - R5 1 200		227	1 066	1 466	1 511	1 555	1 528	1 690	1 754	1 821	1 890
R6 1 201 - R6 1 800		77	184	485	504	524	544	594	586	609	631
R7 1 801 - R7 2 400		44	176	109	112	117	122	127	131	136	142
R8 2 401 - R8 3 200		27		81	84	87	91	94	98	101	105
> R8 3 200											
<b>Poverty profiles (no. of households)</b>											
< R2 600 per household per month	# Households earning	6 149	5 307	5 309	5 528.00	5 738.00	5 957.00	6 183.00	6 418.00	6 662.00	6 915.00
Insert description											
<b>Household demographics (000)</b>											
Number of people in municipal area	Stats SA	55 912	74 546	80 432	83 486	86 461	89 354	93 372	96 320	100 503	108 245
Number of poor people in municipal area				37 431	38 956	40 332	41 865	43 456	45 107	46 821	48 900
Number of households in municipal area	Stats SA	21 963	28 008	28 008							
Number of poor households in municipal area		9 439	16 317	17 077	17 285	18 459	19 651	20 851	21 968	23 350	24 891
Definition of poor household (R per month)		7 201	4 561	4 561	4 801	5 121	5 401	5 725	6 060	6 433	
<b>Housing statistics</b>											
Formal				22 592	22 938	23 152	23 599	25 812	24 415	24 913	26 353
Informal				2 538	3 421	3 407	3 330	3 188	3 185	3 186	3 186
Total number of households				25 230	26 559	26 559	26 929	27 000	27 603	28 101	29 539
Dwellings provided by municipality			38	410	-	-	183	-	333	218	80
Dwellings provided by provinces			-	-	-	-	-	-	-	-	-
Dwellings provided by private sector		116	470	209	245	214	264	213	270	290	300
Total new housing dwellings		116	508	619	245	214	447	213	603	458	380

Table 65 MBRR SA11 – Property rates summary

WC032 Overstrand - Supporting Table SA11 Property rates summary

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>Valuation:</b>									
Date of valuation	02/07/2007	02/07/2011	02/07/2011						
Financial year valuation used	2006/2009	2012/2013	2012/2013	2012/2013			2012/2013		
Municipal by-laws in place? (Y/N)	Yes		Yes				Yes		
Municipal/assistant valuer appointed? (Y/N)	Yes		Yes				Yes		
Municipal partnership s38 used? (Y/N)	No		No				No	No	
No. of assistant valuers (FTE)	2	2	2	2	2	2	2	2	2
No. of data collectors (FTE)	6	6	6	12	12	12	6	6	6
No. of internal valuers (FTE)	-	-	-	-	-	-	-	-	-
No. of external valuers (FTE)	4	4	3	3	3	3	3	3	3
No. of additional valuers (FTE)	-	-	-	1	1	1	-	-	-
Valuation appeal board established? (Y/N)	Yes		Yes				Yes		
Implementation time of new valuation roll (mths)		36	24	12			-		
No. of properties	40 507	40 801	41 025	41 230	41 230	41 230	41 848	41 492	41 492
No. of sectional title values	2 395	2 383	2 623	2 626	2 636	2 636	2 634	2 647	2 661
No. of unreasonably difficult properties s7(2)	-	-	-	-	-	-	-	-	-
No. of supplementary valuations	1	2	3	2	2	2	1	1	1
No. of valuation roll amendments	2	3	3	2	2	2	12	12	12
No. of objections by rate payers	24	830	103	100	100	100	1 500	480	480
No. of appeals by rate payers	1	53	5	10	10	10	150	40	40
No. of successful objections	5		24	20	20	20	750	200	200
No. of successful objections > 10%	-	137	14	10	10	10	75	20	20
Supplementary valuation	3 323	4 956	4 233	4 487	4 487	4 487	3 610	3 628	3 646
Public service infrastructure value (Rm)	36	40	40	43	43	43	83	83	83
Municipality owned property value (Rm)	701	694	664	736	736	736	737	741	745
<b>Valuation reductions:</b>									
Valuation reductions-public infrastructure (Rm)	41	40	40	43	43	43	85	85	85
Valuation reductions-nature reserves/park (Rm)	-	-	-	-	-	-	276	277	279
Valuation reductions-mineral rights (Rm)	-	-	-	-	-	-	-	-	-
Valuation reductions-R15 000 threshold (Rm)	458	453	453	480	480	480	434	436	438
Valuation reductions-public worship (Rm)	211	208	208	222	222	222	258	259	260
Valuation reductions-other (Rm)	2 067	2 046	2 046	2 169	2 169	2 169	2 254	2 265	2 276
<b>Total valuation reductions:</b>	<b>2 776</b>	<b>2 748</b>	<b>2 748</b>	<b>2 913</b>	<b>2 913</b>	<b>2 913</b>	<b>3 306</b>	<b>3 323</b>	<b>3 339</b>
Total value used for rating (Rm)	39 491	39 152	39 152	41 501	41 501	41 501	39 998	40 168	40 399
Total land value (Rm)	22 148	21 360	21 360	22 642	22 642	22 642	22 151	22 262	22 373
Total value of improvements (Rm)	20 118	20 540	20 540	21 772	21 772	21 772	21 153	21 259	21 365
Total market value (Rm)	42 267	41 900	41 900	44 414	44 414	44 414	43 304	43 521	43 739
<b>Rating:</b>									
Residential rate used to determine rate for other categories? (Y/N)	Yes	Yes	Yes	Yes			Yes		
Differential rates used? (Y/N)	Yes	Yes	Yes	Yes			Yes		
Limit on annual rate increase s20? (Y/N)	No	No	No	No	No	No	No	No	No
Special rating area used? (Y/N)	Yes	Yes	Yes	Yes			Yes		
Phasing-in properties s21 (number)	No	No	No	No	No	No	No	No	No
Rating policy accompanying budget? (Y/N)	Yes	Yes	Yes	Yes			Yes		
Fixed amount minimum value (R'000)				100			220		
Non-residential prescribed ratio s19? (%)	46.0%	48.6%	51.4%	51.5%			51.0%		
<b>Rate revenue:</b>									
Rate revenue budget (R'000)	112 600	120 275	134 994	148 520	148 520	148 520	157 847	165 268	175 174
Rate revenue expected to collect (R'000)	112 600	120 275	134 994	148 520	148 520	148 520	157 847	165 268	175 174
Expected cash collection rate (%)	87.6%	89.9%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Special rating areas (R'000)	-	-	-	-	-	-	-	-	-
Rebates, exemptions - indigent (R'000)	-	-	-	-	-	-	-	-	-
Rebates, exemptions - pensioners (R'000)	205	319 487	363	401	401	401	425	450	477
Rebates, exemptions - bona fide farm (R'000)	834	1 652 839	69	79	79	79	83	85	94
Rebates, exemptions - other (R'000)	2 190	3 707 751	3 410	3 875	3 875	3 875	4 108	4 354	4 615
Phase-in reductions/discounts (R'000)	-	-	-	-	-	-	-	-	-
<b>Total rebates, exemptions, reductions, discounts (R'000)</b>	<b>3</b>	<b>5 680</b>	<b>3 833</b>	<b>4 355</b>	<b>4 355</b>	<b>4 355</b>	<b>4 616</b>	<b>4 893</b>	<b>5 187</b>





Table 67 MBRR SA12b – Property rates by category (budget year)

[illegible]



Table 68 MBRR SA13a – Service tariffs by category

Description	Provide description of tariff structure where appropriate	2015/16	2016/17	2017/18	Current Year 2014/15	2015/16 Medium Term Revenue & Expenditure Framework		
						Budget Year	Budget Year+1	Budget Year+2
						2015/16	2016/17	2017/18
<b>Properties/land in the Rand</b>								
Residential properties		34 952 240	40 086 700	41 848 000	107 422 000	97 425 000	102 423 000	108 474 240
Residential properties - vacant land						14 899 000	19 786 000	20 475 180
Farmland/retail settlements								
Small holdings								
Farm properties - used		188 487	287 327	221 000	259 000	634 000	864 000	703 640
Farm properties - not used								
Industrial properties								
Business and commercial properties		17 502 118	18 325 518	18 418 000	21 567 000	22 748 000	23 230 000	24 623 400
Commercial land - residential								
Commercial land - small holdings								
Commercial land - farm property								
Commercial land - business and community								
Commercial land - other								
State-owned properties				18 285 000	6 072 000	6 201 000	6 056 000	31 546 360
Municipal properties								
Public service infrastructure								
Privately owned assets controlled by the owner								
State land								
Residential and non-residential properties								
Protected areas								
Natural monuments properties								
<b>Exempted properties and rebates (Rands)</b>								
<b>Residential properties</b>								
R15 000 household rebate		15 000	15 000	15 000	15 000	15 000	15 000	15 000
General residential rebate		15 000	15 000	15 000	15 000	15 000	15 000	15 000
Indigent rebate or exemption		35 000	100 000	100 000	100 000	220 000	220 000	220 000
Personnel or social grants rebate or exemption		50 000	100 000	100 000	100 000	220 000	220 000	220 000
Temporary relief rebate or exemption		30-100%	30-100%	30-100%	30-100%	40-100%	40-100%	40-100%
Some low income rebate or exemption								
Other rebates or exemptions		75%	75%	75%	75%	75%	75%	75%
<b>Water tariffs</b>								
<b>Domestic</b>								
Basic charge/flat fee (Rands/month)		64	93	98	102	102	111	118
Service point - vacant land (Rands/month)		88	93	98	102	102	111	118
Water usage - flat rate tariff (R/s)								
Water usage - flat rate tariff	Consumption - Households			307	328	325	349	365
Water usage - Block 1 (R/s)	0 - 5 l/s per l/s			814	1 005	1 005	1 065	1 129
Water usage - Block 2 (R/s)	7 - 20 l/s per l/s	702	744	1 316	1 431	1 431	1 729	1 843
Water usage - Block 3 (R/s)	21 - 70 l/s per l/s	702	1 200	2 026	2 512	2 512	2 983	3 422
Water usage - Block 4 (R/s)	31 - 60 l/s per l/s	1 758	1 865	2 432	3 263	3 263	3 456	3 666
Other	> 60 l/s	2 369	2 518	2 500	4 351	4 351	4 412	4 889
<b>Water meter tariffs</b>								
<b>Domestic</b>								
Basic charge/flat fee (Rands/month)		70	61	86	81	81	86	102
Service point - vacant land (Rands/month)		161	122	130	109	109	118	122
Water meter - flat rate tariff (R/s)		811	877	965	1 028	1 028	1 088	1 153
Volume charge - Block 1 (R/s)	Basic charge - pump	51	54	58	81	81	86	89
Volume charge - Block 2 (R/s)	Service 240 l/s	361	373	388	419	419	444	471
Volume charge - Block 3 (R/s)	(R/s in use)							
Volume charge - Block 4 (R/s)	(R/s in use)							
Other								
<b>Electricity tariffs</b>								
<b>Domestic</b>								
Basic charge/flat fee (Rands/month)		192	158	163	204	204	216	229
Service point - vacant land (Rands/month)		192	158	163	204	204	216	229
Electricity usage - flat rate tariff (R/s)	Quality for indigent (Rands/month)							
Electricity usage - flat rate tariff	< 30 Amp	720	705	705	980	980	920	995
Electricity usage - meter (R/s)								
Electricity usage - meter (R/s)	Consumption							
Electricity usage - meter (R/s)	0 - 250 kWh	739	841	886	985	985	1 017	1 078
Electricity usage - meter (R/s)	251 - 400 kWh	795	1 132	1 201	1 300	1 300	1 378	1 461
Electricity usage - meter (R/s)	> 400 kWh	1 160	1 328	1 448	1 557	1 557	1 681	1 781
Electricity usage - meter (R/s)	(R/s in use)							
Electricity usage - meter (R/s)	Prepaid meter							
Electricity usage - meter (R/s)	0 - 250 kWh	720	795	815	980	985	1 019	1 096
Electricity usage - meter (R/s)	251 - 400 kWh	980	1 084	1 132	1 225	1 225	1 269	1 378
Electricity usage - meter (R/s)	> 400 kWh	1 140	1 272	1 382	1 506	1 506	1 606	1 692
Electricity usage - meter (R/s)	(R/s in use)							
Electricity usage - meter (R/s)	(R/s in use)							
Other								
<b>Water management tariffs</b>								
<b>Domestic</b>								
Service charge								
Basic charge/flat fee		83	113	123	130	130	138	148
83 l/s - once a week								
250 l/s - once a week		284	113	143	150	150	158	168





Table 69 MBRR SA13b – Service tariffs by category (explanatory)

Description	Provide description of tariff structure where appropriate	2011/12	2012/13	2013/14	Current Year 2014/15	2015/16 Medium Term Revenue & Expenditure Framework		
						Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>Exemptions, reductions and rebates (Rands)</b> (Insert lines as applicable)	RESIDENTIAL	0.00326	0.00360	0.00360	0.00414	0.00442	0.00438	0.00485
	BUSINESS & COMMERCIAL	0.00476	0.00545	0.00545	0.00635	0.00670	0.00664	0.00700
	FARM PROPERTIES	0.00326	0.00360	0.00360	0.00414	0.00442	0.00438	0.00485
	VACANT					0.00635	0.00641	0.00680
<b>Water tariffs</b> (Insert blocks as applicable)	Basic charge/bed fee			96	102	102	108	115
	Service point - vacant land			96	102	102	108	115
	0 - 5 kl			307	325	325	345	365
	7 - 18 kl	702	748	811	1 005	1 005	1 065	1 129
	19 - 30 kl	702	1 200	1 316	1 631	1 631	1 729	1 833
	31 - 45 kl	1 755	1 860	2 035	2 512	2 512	2 563	2 822
	46 - 60 kl	1 755	1 960	2 632	3 263	3 263	3 459	3 666
	> 60 kl	2 369	2 519	3 509	4 361	4 361	4 612	4 889
	(Nil in thresholds)							
	(Nil in thresholds)							
<b>Waste water tariffs</b> (Insert blocks as applicable)	Basic charge per month	74	80	86	91	91	97	102
	Basic charge - vacant land	161	122	130	109	109	119	122
	Flat rate per kl	811	877	965	1 026	1 026	1 088	1 153
	Basic charge - pumps	51	54	58	61	61	65	69
	Service per pump	351	372	396	419	419	445	471
	(Nil in structure)							
	(Nil in structure)							
	(Nil in structure)							
	(Nil in structure)							
<b>Electricity tariffs</b> (Insert blocks as applicable)	Basic charge - monthly	152	158	193	204	204	216	229
	Basic charge - vacant land	152	158	193	204	204	216	229
	Flat rate - 1.1kl/line	720	795	795	885	885	939	996
	Credit meter							
	0 - 350 kWh	720	861	881	959	959	1 017	1 078
	351 - 600 kWh	980	1 133	1 190	1 300	1 300	1 378	1 461
	> 600 kWh	1 140	1 325	1 435	1 567	1 567	1 661	1 761
	Prepaid meter							
	0 - 350 kWh	720	795	795	885	885	939	996
	351 - 600 kWh	980	1 068	1 121	1 225	1 225	1 299	1 378
	> 600 kWh	1 140	1 277	1 379	1 506	1 506	1 596	1 692
	(Nil in thresholds)							
	(Nil in thresholds)							



Table 70 MBRR SA32 – List of external mechanisms

External mechanism	Yrs/ Mths	Period of agreement 1.	Service provided	Expiry date of service delivery agreement or contract	Monetary value of agreement 2.
Name of organisation		Number			R thousand
Outsourcing of sub function solid waste - Overstrand	Mths	107	Outsourcing of sub function solid waste	30 October 2022	126 345
Outsourcing of sub function solid waste - Overstrand	Mths	96	Outsourcing of sub function solid waste	01 May 2017	18 651
Note: Overstrand make use of contractual agreements to support the implementation of core function, but the definition of outsourcing do not apply to the other contracts entered into, due to ownership that is kept within the organisation					
Outsourcing of sub function: Waste water treatment	Yrs	15	Outsourcing of sub function waste water treatment	Estimated date June 2015	To be determined



Table 71 MBRR SA33 – Contracts having future budgetary implications

R thousand	Description	Preceding Years	Current Year 2014/15	2015/16 Medium Term Revenue & Expenditure Framework				Forecast 2018/19	Forecast 2019/20	Forecast 2020/21	Forecast 2021/22	Forecast 2022/23	Forecast 2023/24	Forecast 2024/25	Total Contract Value
				Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17	Budget Year								
		Total	Original Budget					Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
<b>Parent Municipality:</b>															
<b>Revenue Obligation By Contract</b>															
	Contract 1: SC11727011 Leasing for the operation of illuminated street signs at the Overstrand Municipal area Term of contract 01/07/2012 until 31/05/2022		194	204	214	224	236	247	260	273	263				2 114
	Contract 2														-
	Contract 3 etc														-
	<b>Total Operating Revenue Implication</b>	-	194	204	214	224	236	247	260	273	263				2 114
<b>Expenditure Obligation By Contract</b>															
	Contract 1: SC08782010 Operation of the mechanised material recovery facility at the Hermanus solid waste transfer station Term of contract 01/12/2013 until 30/06/2022		1 130	1 216	1 309	1 409	1 519	1 639	1 770	1 912					11 904
	Contract 2: SC0782010 Operation of the Garbodal landfill and public drop offs in greater Garbodal and Sanihost Term of contract 01/05/2010 until 01/05/2017		3 368	2 949	3 323	3 697	1 738								15 095
	Contract 3 etc														-
	<b>Total Operating Expenditure Implication</b>	-	4 518	4 165	4 631	5 107	3 258	1 639	1 770	1 912					26 999
<b>Capital Expenditure Obligation By Contract</b>															
	<b>Total Capital Expenditure Implication</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Total Parent Expenditure Implication</b>	-	4 518	4 165	4 631	5 107	3 258	1 639	1 770	1 912					26 999



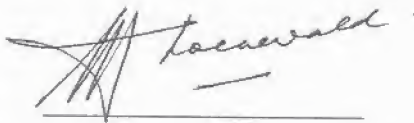
**2.15 Municipal manager's quality certificate**

I, Coenraad Cornelius Groenewald, Municipal Manager of Overstrand Municipality, hereby certify that the annual budget and supporting documentation for the 2015/2016 MTREF has been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the annual budget and supporting documents are consistent with the Integrated Development Plan of the municipality.

Print Name C C GROENEWALD

Municipal Manager of Overstrand Municipality (WC032)

Signature



Date

25 May 2015



**ANNEXURE A**

**PROPOSED AMENDMENTS TO DRAFT  
BUDGET**





# 2015/2016 SUMMARY OF CHANGES FOR FINAL BUDGET:

## OPEX

Expenditure	Unamended	Item Description	2015/2016	2016/2017	2017/2018
WARD SPECIFIC PROJECTS AMENDMENTS:					
1.1	18 540 201 430 000	201505061122134 Contingency Reserve - Building Facilities	50 000		
1.2	19 540 201 430 000	201505061223111 Upgrading of Libraries WSP - Ward 3	60 000		
1.3	19 540 201 430 000	201505061223111 Upgrading of Libraries WSP - Ward 3	60 000		
1.4	19 540 201 430 000	201505061223111 Upgrading of Libraries WSP - Ward 3	60 000		
1.5	19 540 201 430 000	201505061223111 Upgrading of Libraries WSP - Ward 3	60 000		
1.6	19 540 201 430 000	201505061223111 Upgrading of Libraries WSP - Ward 3	60 000		
1.7	19 540 201 430 000	201505061223111 Upgrading of Libraries WSP - Ward 3	60 000		
1.8	19 540 201 430 000	201505061223111 Upgrading of Libraries WSP - Ward 3	60 000		

## 2. ROLL OVER PROJECTS IDENTIFIED:

2.1	19 540 201 430 000	201505061223111 Upgrading of Libraries WSP - Ward 3	60 000		
2.2	19 540 201 430 000	201505061223111 Upgrading of Libraries WSP - Ward 3	60 000		
2.3	19 540 201 430 000	201505061223111 Upgrading of Libraries WSP - Ward 3	60 000		

## 3. LIBRARY GRANT AMENDMENTS:

3.1	19 540 201 430 000	201505061223111 Upgrading of Libraries WSP - Ward 3	60 000		
3.2	19 540 201 430 000	201505061223111 Upgrading of Libraries WSP - Ward 3	60 000		
3.3	19 540 201 430 000	201505061223111 Upgrading of Libraries WSP - Ward 3	60 000		

## CAPEX

### PROJECT DESCRIPTION:

### FINANCE SOURCE:

1. WARD SPECIFIC PROJECTS AMENDMENTS:					
PURCHASE OF REPLACEMENT (WSP) - HERMANUS WARD 3					
PAVING OF CIRCLES INCL. STORMWATER WSP - WARD 9					
UPGRADING OF ROADS WSP - WARD 8					
UPGRADING OF STORMWATER SYSTEMS WSP - WARD 4					
CONCRETE TELESCOPE (CHARLE VAN BREDEN) WARD 11					
TASBANS OF ROADS - PEARTY BEACH WARD 11					
FROM ELECTRICITY TO SPORT & RECREATION					
FLOOD LIGHTS FOR ZWELILE SPORTS GROUND WARD 5					
FLOOD LIGHTS FOR ZWELILE SPORTS GROUND WARD 12					
FLOOD LIGHTS FOR ZWELILE SPORTS GROUND WARD 12					
2. ROLL OVER PROJECTS IDENTIFIED:					
FLOOD LIGHTS - ZWELILE SPORT GROUND					
NEW FLOOD LIGHTS - ZWELILE SPORTS GROUND					
PAVING OF CIRCLES INCL. STORMWATER WSP - WARD 9					
UPGRADING OF ROADS WSP - WARD 8					
UPGRADING OF STORMWATER SYSTEMS WSP - WARD 4					
CONCRETE TELESCOPE (CHARLE VAN BREDEN) WARD 11					
TASBANS OF ROADS - PEARTY BEACH WARD 11					
FROM ELECTRICITY TO SPORT & RECREATION					
FLOOD LIGHTS FOR ZWELILE SPORTS GROUND WARD 5					
FLOOD LIGHTS FOR ZWELILE SPORTS GROUND WARD 12					
FLOOD LIGHTS FOR ZWELILE SPORTS GROUND WARD 12					
3. LIBRARY GRANT:					
MAJOR ASSETS - LIBRARIES AND ARCHIVES					

	2015/2016	2016/2017	2017/2018
Channel Fund	4 000	4 400	4 600
Channel Fund	8 000	8 700	9 500

### 5. SALARY AMENDMENTS:

[illegible]

#### 6. HOUSING AMENDMENTS:

## II. HOUSING AMENDMENTS:

ZWEIHALE MANUELA SQUARE, 43 SITES	PROV HOUSING	1 665 850
ZWEIHALE ADMIN SITE - 104 SITES	PROV HOUSING	2 709 860
ZWEIHALE SITE C2 - 132 SITES	PROV HOUSING	2 181 204
MOUNT PLEASANT RHP	PROV HOUSING	3 169 560
SWARTKOP ROAD RHP	PROV HOUSING	3 313 558
STANFORD RHP	PROV HOUSING	656 310

#### 4. WASTE MANAGEMENT AMENDMENTS

Contract Number	Contract Description	Contract Value	Contract Status
13446201400000	201302192000062 Contracted Services Haulage	5,996,000	6.5.2 809
			7.058 805

Expenditure Contracted Services Outsource  
Services / Mail Changing Sites  
Expenditure Operational Cost Outsourcing Fees  
(District 7 only)  
Expenditure Contracted Services, Business and  
Advisory Project Management

Expenditure Contracted Services Contracted Services / Mail Dumping Sites	3 422 786	3 763 001	4 127 248
Expenditure Operational Cost / Compiling Fees (District Council)	1 724 021	1 834 013	1 941 9613
Expenditure Contracted Services (Business and Advisory Project Management)	240 868	916 791	5087 590

## TOTAL CPEX ADJUSTMENTS

TOTAL OPEX ADJUSTMENTS	13 040 750	150 860	559 020
------------------------	------------	---------	---------

**DRAFT BUDGET BOTTOMLINE  
ADJUSTMENTS**

DRAFT BUDGET BOTTOMLINE	-18,981,233	-3,244,191	3,838,334
ADJUSTMENTS	13,840,750	-150,860	-159,820
FINAL BUDGET BOTTOMLINE	-5,140,483	-3,395,051	3,678,514

## FINAL BUDGET BOTTOMLINE

FINAL BUDGET BOTTOMLINE	-5 140 483	-3 395 051	3 678 514
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## TOTAL CAPEX ADJUSTMENTS

**TOTAL CAPEX ADJUSTMENTS** 18,350,637

**DRAFT CAPITAL BUDGET TOTAL**  
**TOTAL CAPEX ADJUSTMENTS**  
**FINAL CAPITAL BUDGET TOTAL**

DRAFT CAPITAL BUDGET TOTAL	85 515 254
TOTAL CAPEX ADJUSTMENTS	18 398 837
FINAL CAPITAL BUDGET TOTAL	103 914 091



**TARIFF LIST IMPROVEMENTS AND AMENDMENTS FROM THE DRAFT BUDGET**

1.	Tariff Codes: S15A1 – S15A5	Cemetery Fees: Plot Cost • No increase
2.	Tariff Codes: S32A – S32E	Parking Fee Beaches: Grotto & Kleinmond • Scrap Tariff Codes S32A – S32E
3.	Tariff Codes: S72K2A & S72K2B	Application for Departure (Building Lines) • No increase
4.	Refuse	SA2A2A: Change and correction of wording • Reference to SA2B1-SASB11 should be SA2B-SA2B11  SAN3A : Change in wording • "Load weigh per ton or part of", should be "As per tariff SA2B - SA2B11 per weighed load"



**ANNEXURE B**

**A1 SCHEDULE & A2 BUDGET CHARTS**



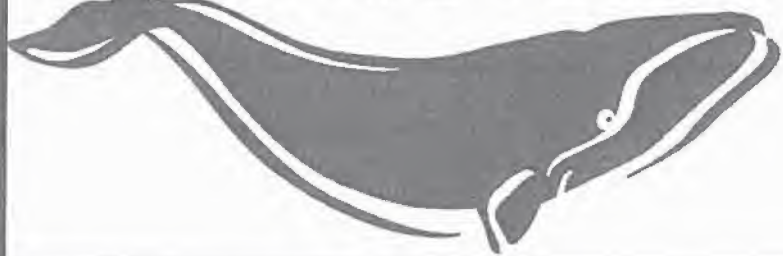
**Municipal annual budgets  
and MTREF**

**&  
supporting tables**

Version 2.7.1

*Munisipaliteit • U-Masipala • Municipality*

**OVERSTRAND**





Municipality Name: WC032 Overstrand

CFO Name: SANTIE REYNEKE-NAUDE

Tel: 028 3138040 Fax: 028 3138128

E-Mail: cfo@overstrand.gov.za

Budget for MTREF starting: 2015 Budget Year: 2015/16

Does this municipality have Entities? No



Organisational Structure Votes	Complete Votes & Sub-Votes	Select Org. Structure
Vote 1 - Council	Vote 1 Council	
Vote 2 - Municipal Manager	1.1 Council General	1.1 - Council General
Vote 3 - Management Services	1.2 Mayor's Office	1.2 - Mayor's Office
Vote 4 - Finance	1.3 Pensioners & Contributed Members	1.3 - Pensioners & Contributed Members
Vote 5 - Community Services	Vote 2 Municipal Manager	
Vote 6 - Local Economic Development	2.1 Municipal Manager	2.1 - Municipal Manager
Vote 7 - Infrastructure & Planning	2.2 Internal Audit	2.2 - Internal Audit
Vote 8 - Protection Services	Vote 3 Management Services	
	3.1 Director: Management Services	3.1 - Director: Management Services
	3.2 Communication	3.2 - Communication
	3.3 Legal Services	3.3 - Legal Services
	3.4 Strategic Services	3.4 - Strategic Services
	3.5 Human Resources	3.5 - Human Resources
	3.6 Info & Communication Technology	3.6 - Info & Communication Technology
	3.7 Council Support Services	3.7 - Council Support Services
	3.8 Social Development	3.8 - Social Development
	3.9 Risk Management	3.9 - Risk Management
	3.10 Municipal Court	3.10 - Municipal Court
	Vote 4 Finance	
	4.1 Director: Finance	4.1 - Director: Finance
	4.2 Deputy Director: Finance	4.2 - Deputy Director: Finance
	4.3 Accounting Services	4.3 - Accounting Services
	4.4 Expenditure & Asset Management	4.4 - Expenditure & Asset Management
	4.5 Revenue	4.5 - Revenue
	4.6 Supply Chain Management	4.6 - Supply Chain Management
	4.7 Data Control	4.7 - Data Control
	4.8 Assessment Rates	4.8 - Assessment Rates
	Vote 5 Community Services	
	5.1 Director & Administration	5.1 - Director & Administration
	5.2 Offices & Community Buildings	5.2 - Offices & Community Buildings
	5.3 Parks & Townships, Cemeteries	5.3 - Parks & Townships, Cemeteries
	5.4 Libraries	5.4 - Libraries
	5.5 Sport & Recreation	5.5 - Sport & Recreation
	5.6 Housing & Social Upliftment	5.6 - Housing & Social Upliftment
	5.7 Roads & Stormwater	5.7 - Roads & Stormwater
	5.8 Water	5.8 - Water
	5.9 Sewerage	5.9 - Sewerage
	5.10 Refuse	5.10 - Refuse
	Vote 6 Local Economic Development	
	6.1 Director: Economic Development & Planning	6.1 - Director: Economic Development & Planning
	6.2 Tourism	6.2 - Tourism
	6.3 Parking Services	6.3 - Parking Services
	Vote 7 Infrastructure & Planning	
	7.1 Director: Infrastructure & Planning	7.1 - Director: Infrastructure & Planning
	7.2 Deputy Director: Engineering Planning	7.2 - Deputy Director: Engineering Planning
	7.3 Engineering Services & Housing Development	7.3 - Engineering Services & Housing Development
	7.4 Town Planning	7.4 - Town Planning
	7.5 Geographical Info System (GIS)	7.5 - Geographical Info System (GIS)
	7.6 Building Control Services	7.6 - Building Control Services
	7.7 Environmental Management Services	7.7 - Environmental Management Services
	7.8 Electricity	7.8 - Electricity
	7.9 Solid Waste Planning & Solid Waste Disposal	7.9 - Solid Waste Planning & Solid Waste Disposal
	7.10 Property Administration	7.10 - Property Administration
	Vote 8 Protection Services	
	8.1 Director: Protection Services	8.1 - Director: Protection Services
	8.2 Traffic	8.2 - Traffic
	8.3 Law Enforcement	8.3 - Law Enforcement
	8.4 Vehicle Testing	8.4 - Vehicle Testing
	8.5 Fire Brigade/Disaster Management	8.5 - Fire Brigade/Disaster Management
	8.6 Vehicle Licensing	8.6 - Vehicle Licensing



WC032 Overstrand - Contact Information	
<b>A. GENERAL INFORMATION</b>	
Municipality	WC032 Overstrand
Grade	3
Province	WC WESTERN CAPE
Web Address	www.overstrand.gov.za
e-mail Address	bking@overstrand.gov.za
<b>B. CONTACT INFORMATION</b>	
<b>Postal address:</b>	
P.O. Box	P.O. BOX 20
City / Town	HERMANUS
Postal Code	7200
<b>Street address</b>	
Building	MUNICIPAL OFFICE
Street No. & Name	MAGNOLIA STREET
City / Town	HERMANUS
Postal Code	7200
<b>General Contacts</b>	
Telephone number	028 313 8000
Fax number	028 313 8118
<b>C. POLITICAL LEADERSHIP</b>	
<b>Speaker:</b>	
Name	ANTON COETSEE
Telephone number	028 3138018
Cell number	083 2836 237
Fax number	028 3138057
E-mail address	acoetsee@overstrand.gov.za
<b>Secretary/PA to the Speaker:</b>	
Name	RENE DU PLOOY
Telephone number	028 313 8002
Cell number	
Fax number	028 313 8067
E-mail address	mayorsec@overstrand.gov.za
<b>Mayor/Executive Mayor:</b>	
Name	NICOLETTE BOTHA-GUTHRIE
Telephone number	028 3138011
Cell number	082 3766 266
Fax number	028 3138067
E-mail address	nbotha-guthrie@overstrand.gov.za
<b>Secretary/PA to the Mayor/Executive Mayor:</b>	
Name	ELIZE VERRIJ
Telephone number	028 3138038
Cell number	083 9395 404
Fax number	028 3138067
E-mail address	verrij@overstrand.gov.za
<b>Deputy Mayor/Executive Mayor:</b>	
Name	RUDOLPH SMITH
Telephone number	028 313 8191
Cell number	082 514 6411
Fax number	028 313 8067
E-mail address	rsmith@overstrand.gov.za
<b>Secretary/PA to the Deputy Mayor/Executive Mayor:</b>	
Name	RENE DU PLOOY
Telephone number	028 313 8002
Cell number	
Fax number	028 313 8067
E-mail address	mayorsec@overstrand.gov.za
<b>D. MANAGEMENT LEADERSHIP</b>	
<b>Municipal Manager:</b>	
Name	COENIE GROENEWALD
Telephone number	028 3138003
Cell number	082 5528 555
Fax number	0865889726
E-mail address	cgroenewald@overstrand.gov.za
<b>Secretary/PA to the Municipal Manager:</b>	
Name	RENTIA PRETORIUS
Telephone number	028 3138909
Cell number	
Fax number	0865889726
E-mail address	rpriorius@overstrand.gov.za
<b>Chief Financial Officer:</b>	
Name	SANTIE REYNKE-NAUDE
Telephone number	028 3138040
Cell number	082 551 4499
Fax number	028 3138128
E-mail address	sre@overstrand.gov.za
<b>Secretary/PA to the Chief Financial Officer:</b>	
Name	RYTILE ROUX
Telephone number	028 313 8074
Cell number	
Fax number	028 313 8128
E-mail address	reoux@overstrand.gov.za
<b>Official responsible for submitting financial information</b>	
Name	BERNARD KING
Telephone number	028 3138154
Cell number	
Fax number	028 313 8128
E-mail address	bking@overstrand.gov.za
<b>Official responsible for submitting financial information</b>	
Name	GEORGIA BUCHANEN
Telephone number	028 3138913
Cell number	
Fax number	028 313 8128
E-mail address	gbuchanen@overstrand.gov.za
<b>Official responsible for submitting financial information</b>	
Name	VERONICA ALLEN
Telephone number	028 3138131
Cell number	
Fax number	028 313 8128
E-mail address	vallen@overstrand.gov.za



WC032 Overstrand - Table A1 Budget Summary

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>R (thousands)</b>									
<b>Financial Performance</b>									
Property rates	109 838	121 571	135 633	149 690	154 589	154 589	163 621	174 288	185 851
Service charges	405 415	436 439	479 253	525 697	525 567	525 567	566 784	612 476	662 296
Investment revenue	6 881	7 555	8 382	8 166	8 166	8 166	8 348	8 348	8 348
Transfers recognised - operational	38 005	41 680	67 835	58 407	61 289	61 289	30 324	107 885	97 173
Other own revenue	37 344	96 827	47 302	44 544	62 770	62 770	67 957	72 224	76 942
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>597 462</b>	<b>703 871</b>	<b>738 378</b>	<b>784 474</b>	<b>810 361</b>	<b>810 361</b>	<b>895 035</b>	<b>973 222</b>	<b>1 028 409</b>
Employee costs	207 938	221 842	280 848	280 066	276 217	276 217	291 653	305 408	321 883
Remuneration of councillors	6 717	7 084	7 933	8 916	8 916	8 916	8 974	9 192	9 741
Depreciation & asset impairment	104 041	104 408	99 361	109 255	105 461	105 461	111 362	119 043	125 126
Finance charges	31 727	37 331	39 927	45 162	44 480	44 480	46 895	46 780	47 279
Materials and bulk purchases	181 251	157 452	170 650	186 739	186 759	186 759	251 374	290 769	306 221
Transfers and grants	28 454	35 956	38 748	41 370	41 668	41 668	48 497	54 667	62 244
Other expenditure	182 386	178 287	214 757	198 469	270 222	270 222	206 135	212 634	224 099
<b>Total Expenditure</b>	<b>742 525</b>	<b>752 070</b>	<b>832 022</b>	<b>869 388</b>	<b>833 322</b>	<b>833 322</b>	<b>964 529</b>	<b>1 037 453</b>	<b>1 068 292</b>
<b>Surplus/(Deficit)</b>	<b>(145 043)</b>	<b>(48 199)</b>	<b>(93 648)</b>	<b>(85 115)</b>	<b>(122 971)</b>	<b>(122 971)</b>	<b>(69 494)</b>	<b>(64 231)</b>	<b>(68 883)</b>
Transfers recognised - capital	54 833	53 908	38 090	34 254	55 498	55 498	53 354	60 876	73 561
Contributions recognised - capital & contributed assets	8 603	5 289	12 542	2 154	2 351	2 351	1 009	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>(81 607)</b>	<b>10 299</b>	<b>(45 015)</b>	<b>(48 747)</b>	<b>(65 423)</b>	<b>(65 423)</b>	<b>(5 140)</b>	<b>(3 395)</b>	<b>3 679</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) for the year</b>	<b>(81 607)</b>	<b>10 299</b>	<b>(45 015)</b>	<b>(48 747)</b>	<b>(65 423)</b>	<b>(65 423)</b>	<b>(5 140)</b>	<b>(3 395)</b>	<b>3 679</b>
<b>Capital expenditure &amp; funds sources</b>									
Capital expenditure	163 275	143 764	130 930	97 721	122 785	122 785	103 914	94 606	103 561
Transfers recognised - capital	54 833	53 908	38 090	36 368	56 498	56 498	64 364	60 876	73 561
Public contributions & donations	14 300	5 067	7 985	-	1 936	1 936	462	-	-
Borrowing	73 944	67 544	70 634	46 923	48 770	48 770	32 346	30 000	30 000
Internally generated funds	20 178	17 345	14 222	14 430	15 582	15 582	6 753	3 730	-
<b>Total sources of capital funds</b>	<b>163 275</b>	<b>143 764</b>	<b>130 930</b>	<b>97 721</b>	<b>122 785</b>	<b>122 785</b>	<b>103 914</b>	<b>94 606</b>	<b>103 561</b>
<b>Financial position</b>									
Total current assets	230 033	205 568	175 465	167 146	208 517	208 517	207 929	236 802	286 385
Total non current assets	3 209 100	3 290 140	3 302 111	3 316 479	3 332 776	3 332 776	3 320 511	3 302 983	3 287 443
Total current liabilities	137 580	160 331	148 801	151 849	163 113	163 113	174 459	179 435	201 367
Total non current liabilities	452 301	483 951	520 970	549 267	593 707	593 707	617 068	628 375	635 734
Community wealth/Equity	2 848 252	2 851 526	2 907 605	2 810 509	2 794 472	2 794 472	2 756 314	2 732 985	2 738 717
<b>Cash flows</b>									
Net cash from/(used) operating	98 981	75 920	76 616	80 014	126 676	126 676	110 861	125 532	152 720
Net cash from/(used) investing	(151 774)	(146 959)	(130 368)	(103 533)	(128 597)	(128 597)	(110 144)	(100 523)	(109 675)
Net cash from/(used) financing	109 469	28 482	32 764	27 163	28 183	28 183	7 409	4 515	1 658
<b>Cash/cash equivalents at the year end</b>	<b>126 999</b>	<b>84 147</b>	<b>83 154</b>	<b>86 050</b>	<b>89 421</b>	<b>89 421</b>	<b>97 547</b>	<b>127 071</b>	<b>171 875</b>
<b>Cash backing/surplus reconciliation</b>									
Cash and investments available	132 391	95 744	80 123	110 257	111 628	111 628	126 061	161 465	212 284
Application of cash and investments	2 373	6 388	(18 024)	(16 063)	(32 522)	(32 522)	8 224	13 360	30 132
<b>Balance - surplus (shortfall)</b>	<b>130 018</b>	<b>89 356</b>	<b>96 147</b>	<b>126 920</b>	<b>144 149</b>	<b>144 149</b>	<b>117 777</b>	<b>148 085</b>	<b>182 152</b>
<b>Asset management</b>									
Asset register summary (WOV)	3 181 234	3 277 435	3 280 777	3 254 715	3 310 912	3 310 912	3 292 016	3 268 579	3 247 014
Depreciation & asset impairment	104 041	104 408	99 361	109 255	105 461	105 461	111 362	119 043	125 126
Renewal of Existing Assets	-	4 147	47 032	28 139	32 838	32 838	20 758	21 000	6 500
Repairs and Maintenance	54 845	714 614	150 358	162 298	163 071	163 071	121 077	126 814	150 754
<b>Free services</b>									
Cost of Free Basic Services provided	28 084	32 049	34 509	41 716	41 716	41 716	48 296	52 358	56 767
Revenue cost of free services provided	82 641	77 736	74 579	75 253	75 253	75 253	88 909	95 019	103 302
<b>Households below minimum service level</b>									
Water	-	-	-	-	-	-	-	-	-
Sanitation/sewerage	-	-	-	-	-	-	-	-	-
Energy	-	-	-	1	1	1	-	-	-
R refuse	-	-	-	-	-	-	-	-	-





Standard Classification Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>R thousand</b>									
<b>Revenue - Standard</b>									
<i>Governance and administration</i>	167 928	232 385	199 504	231 071	232 413	232 413	255 984	272 264	292 323
Executive and council	31 483	38 355	42 355	52 442	52 442	52 442	64 981	72 528	79 858
Budget and treasury office	127 745	137 728	150 786	169 095	170 420	170 420	180 309	191 921	204 324
Corporate services	8 700	56 303	6 363	9 534	9 551	9 551	10 795	7 310	8 338
<i>Community and public safety</i>	23 195	50 882	71 418	33 726	78 422	78 422	101 843	124 937	118 866
Community and social services	2 574	2 950	2 574	2 402	2 402	2 402	4 857	9 004	9 508
Sport and recreation	9 609	7 785	11 427	9 565	9 191	9 191	11 842	14 242	14 766
Public safety	10 048	20 142	29 300	13 184	36 094	36 094	37 676	39 164	40 802
Housing	3 965	19 955	29 116	8 576	30 735	30 735	47 987	52 726	53 793
Health	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>	12 983	18 567	30 362	13 939	16 496	16 496	20 033	10 531	17 254
Planning and development	3 801	7 507	12 853	8 465	8 550	8 550	9 043	8 120	8 932
Road transport	3 863	10 595	17 790	5 397	7 869	7 869	10 890	2 700	4 200
Environmental protection	299	65	319	78	76	76	101	110	121
<i>Trading services</i>	456 833	461 155	425 124	542 106	540 568	540 568	581 516	625 966	677 315
Electricity	223 498	249 645	270 880	313 368	312 305	312 305	346 361	375 057	419 102
Water	158 189	96 325	95 088	95 872	95 872	95 872	106 211	113 026	120 878
Waste water management	79 350	68 428	65 091	72 150	71 106	71 106	89 402	74 795	77 229
Waste management	39 505	46 758	53 066	58 991	66 286	60 286	59 544	53 118	56 390
Other	-	-	-	-	-	-	-	-	-
<b>Total Revenue - Standard</b>	<b>660 918</b>	<b>762 968</b>	<b>787 007</b>	<b>820 842</b>	<b>867 900</b>	<b>867 900</b>	<b>959 388</b>	<b>1 034 088</b>	<b>1 101 971</b>
<b>Expenditure - Standard</b>									
<i>Governance and administration</i>	190 332	205 248	119 512	127 368	124 470	124 470	237 278	248 313	267 049
Executive and council	58 811	67 621	71 355	66 867	68 003	68 003	92 565	99 327	108 547
Budget and treasury office	48 879	51 299	23 830	24 503	25 398	25 398	59 790	71 154	75 197
Corporate services	82 842	86 328	24 327	35 998	31 269	31 269	74 963	78 822	83 305
<i>Community and public safety</i>	124 994	87 288	134 133	113 336	136 344	136 344	141 932	156 237	146 287
Community and social services	24 079	26 093	30 255	32 563	32 499	32 499	31 368	33 034	35 111
Sport and recreation	15 078	14 271	18 537	22 245	20 744	20 744	18 220	19 390	20 550
Public safety	31 241	42 651	56 923	48 173	73 288	73 288	69 453	72 280	75 270
Housing	54 294	3 233	28 318	9 554	3 812	3 812	22 992	3 573	15 249
Health	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>	116 245	113 012	130 335	139 514	138 641	138 641	132 946	137 948	145 918
Planning and development	35 516	38 280	30 370	37 314	36 945	36 945	40 308	40 867	43 282
Road transport	75 715	71 108	92 659	55 166	94 492	94 492	84 786</		



WC032 Overstrand - Table A2 Budgeted Financial Performance (revenue and expenditure by standard classification)

Standard Classification Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>R thousand</b>									
<b>Revenue - Standard</b>									
<i>Municipal governance and administration</i>	167 928	232 385	199 504	231 071	232 413	232 413	255 904	272 264	292 933
Executive and council	31 483	38 355	42 355	52 442	52 442	52 442	64 861	72 538	79 852
Mayor and Council	31 483	38 355	42 355	52 442	52 442	52 442	64 861	72 538	79 858
Municipal Manager	-	-	-	-	-	-	-	-	-
Budget and treasury office	127 745	137 726	150 786	189 069	170 420	170 420	180 339	191 921	204 936
Corporate services	8 700	66 303	9 263	9 534	9 551	9 551	10 759	7 815	8 338
Human Resources	1 217	1 158	305	908	908	908	60	60	60
Information Technology	45	150	350	1 500	1 500	1 500	530	957	1 033
Property Services	6 290	53 722	3 670	-	-	-	-	-	-
Other Admin	1 148	1 273	2 037	7 126	7 143	7 143	9 805	6 799	7 245
<i>Community and public safety</i>	23 155	50 862	71 418	33 726	78 422	78 422	101 843	124 937	118 859
Community and social services	2 574	2 990	2 574	2 402	2 402	2 402	4 657	9 004	9 508
Libraries and Archives	233	129	233	118	118	118	123	134	146
Museums & Art Galleries etc	-	-	-	-	-	-	-	-	-
Community halls and Facilities	2 153	2 692	2 180	2 099	2 099	2 099	4 341	8 627	9 121
Cemeteries & Crematoriums	191	185	161	185	185	185	194	214	242
Child Care	-	-	-	-	-	-	-	-	-
Aged Care	-	-	-	-	-	-	-	-	-
Other Community	-	-	-	-	-	-	-	-	-
Other Social	-	-	-	-	-	-	-	-	-
Sport and recreation	6 608	7 755	11 427	9 555	9 191	9 191	11 942	14 042	14 766
Public safety	10 049	20 142	28 300	13 184	36 094	36 094	37 676	39 184	40 802
Police	119	115	75	42	42	42	97	105	117
Fire	229	307	584	250	250	250	325	358	393
Civil Defence	-	-	-	-	-	-	-	-	-
Street Lighting	-	-	-	-	-	-	-	-	-
Other	9 701	19 719	27 537	12 892	35 802	35 802	37 259	38 701	40 292
Housing	3 963	19 963	29 118	8 576	30 735	30 735	47 567	62 726	53 793
Health	-	-	-	-	-	-	-	-	-
Clinics	-	-	-	-	-	-	-	-	-
Ambulance	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>	12 963	18 567	30 962	13 939	16 496	16 496	20 033	10 931	10 254
Planning and development	8 601	7 907	12 852	8 465	8 550	8 550	9 043	8 120	9 952
Economic Development/Planning	4 558	4 160	8 191	4 068	4 153	4 153	3 091	1 573	1 730
Town Planning/Building enforcement	4 243	3 757	4 662	4 397	4 397	4 397	5 352	6 547	7 222
Licensing & Regulation	-	-	-	-	-	-	-	-	-
Road transport	3 863	10 595	17 790	5 397	7 863	7 869	10 890	2 700	4 200
Roads	3 863	10 595	17 790	5 397	7 863	7 869	10 890	2 700	4 200
Public Buses	-	-	-	-	-	-	-	-	-
Parking Garages	-	-	-	-	-	-	-	-	-
Vehicle Licensing and Testing	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Environmental protection	299	65	319	76	76	76	101	110	121
Pollution Control	-	-	-	-	-	-	-	-	-
Biodiversity & Landscape	299	65	319	76	76	76	101	110	121
Other	-	-	-	-	-	-	-	-	-
<i>Trading services</i>	456 833	461 155	485 124	542 106	540 968	540 565	581 518	625 966	677 315
Electricity	229 468	249 645	278 886	313 388	312 305	312 305	346 361	375 057	413 102
Electricity Distribution	229 468	249 645	278 886	313 388	312 305	312 305	346 361	375 057	413 102
Electricity Generation	-	-	-	-	-	-	-	-	-
Water	108 189	96 325	96 086	96 872	96 872	96 872	106 211	113 026	120 078
Water Distribution	108 189	96 325	96 086	96 872	96 872	96 872	106 211	113 026	120 078
Water Storage	-	-	-	-	-	-	-	-	-
Waste water management	79 350	88 428	65 091	72 155	71 106	71 106	69 402	74 769	77 225
Sewerage	78 865	63 963	65 032	71 055	69 906	69 906	66 926	72 255	75 229
Storm Water Management	885	4 465	59	1 100	1 200	1 200	2 477	2 500	1 900
Public Toilets	-	-	-	-	-	-	-	-	-
Waste management	39 805	48 758	53 066	59 691	60 286	60 286	59 544	63 118	66 906
Solid Waste	39 805	48 758	53 066	59 691	60 286	60 286	59 544	63 118	66 906
Other	-	-	-	-	-	-	-	-	-
Air Transport	-	-	-	-	-	-	-	-	-
Abattoirs	-	-	-	-	-	-	-	-	-
Tourism	-	-	-	-	-	-	-	-	-
Forestry	-	-	-	-	-	-	-	-	-
Markets	-	-	-	-	-	-	-	-	-
<b>Total Revenue - Standard</b>	<b>660 918</b>	<b>752 969</b>	<b>787 007</b>	<b>820 342</b>	<b>867 900</b>	<b>867 900</b>	<b>959 389</b>	<b>1 034 098</b>	<b>1 101 871</b>



Expenditure - Standard	190 332	205 348	119 512	127 368	124 670	124 670	237 278	248 343	297 049
<b>Municipal governance and administration</b>									
Executive and council	58 871	67 521	71 355	66 987	68 003	68 003	52 565	39 337	108 547
Mayor and Council	55 939	64 379	70 977	66 289	67 425	67 425	50 290	37 002	107 121
Municipal Manager	2 872	3 243	378	579	578	578	2 275	1 335	1 426
Budget and treasury office	48 579	57 369	23 831	24 503	25 398	25 398	69 750	71 154	75 197
Corporate services	82 942	86 328	24 327	35 598	31 269	31 269	74 963	78 822	83 305
Human Resources	8 288	8 333	1 928	3 696	3 679	3 679	8 594	10 145	10 853
Information Technology	12 282	10 698	(732)	4 690	3 762	3 762	15 509	16 418	17 451
Property Services	16 066	17 074	5 440	5 484	6 484	6 484	6 690	8 032	8 354
Other Admin	46 205	50 223	15 691	21 223	17 344	17 344	44 170	46 228	48 907
<b>Community and public safety</b>	124 952	87 295	124 133	113 536	136 344	136 344	141 933	156 237	146 267
Community and social services	24 079	26 093	30 255	32 563	32 499	32 499	31 368	33 034	35 196
Libraries and Archives	4 257	4 648	6 218	7 074	7 028	7 028	6 542	6 889	7 400
Museums & Art Galleries etc									
Community halls and Facilities	19 538	21 120	23 507	25 072	25 053	25 053	24 407	25 700	27 318
Cemeteries & Crematoriums	284	325	430	418	418	418	413	445	480
Child Care									
Age Care									
Other Community									
Other Social									
Sport and recreation	15 378	14 271	18 537	22 245	20 744	20 744	18 220	19 390	20 550
Public safety	31 241	42 651	56 923	49 173	73 288	73 288	69 453	72 280	75 270
Police	9 438	10 668	13 606	14 428	14 042	14 042	12 756	13 682	14 534
Fire	8 441	9 619	11 187	12 707	14 408	14 408	12 277	12 886	13 648
Civil Defence									
Street Lighting									
Other	13 361	22 364	32 129	22 038	44 839	44 839	44 381	45 712	47 088
Housing	54 294	4 273	26 318	9 554	9 512	9 512	22 892	33 533	15 249
Health									
Clinics									
Ambulance									
Other									
<b>Economic and environmental services</b>	116 245	113 012	130 335	139 514	138 641	138 641	132 046	137 946	145 918
Planning and development	35 519	36 280	30 370	37 314	36 945	36 945	40 308	40 587	43 282
Economic Development/Planning	22 139	22 758	14 781	19 046	18 618	18 618	24 085	23 639	25 058
Town Planning/Building enforcement	13 380	13 522	15 589	18 267	18 327	18 327	16 221	17 227	18 224
Licensing & Regulation									
Road transport	75 715	71 108	92 659	95 186	94 492	94 492	84 786	89 863	94 988
Roads	75 715	71 108	92 659	95 186	94 492	94 492	84 786	89 863	94 988
Public Buses									
Parking Garages									
Vehicle Licensing and Testing									
Other									
Environmental protection	5 011	5 624	7 306	7 035	7 204	7 204	6 952	7 217	7 651
Pollution Control									
Biodiversity & Landscape	5 011	5 624	7 306	7 035	7 204	7 204	6 952	7 217	7 651
Other									
<b>Trading services</b>	310 956	346 423	448 042	489 171	533 668	533 668	453 273	492 997	539 058
Electricity	177 473	198 933	247 859	272 386	272 466	272 466	257 278	287 386	322 086
Electricity Distribution	177 473	198 933	247 859	272 386	272 466	272 466	257 278	287 386	322 086
Electricity Generation									
Water	53 445	61 422	99 439	93 157	90 979	90 979	78 253	81 294	85 130
Water Distribution	53 445	61 422	99 439	93 157	90 979	90 979	78 253	81 294	85 130
Water Storage									
Waste water management	42 466	45 965	64 599	67 138	69 170	69 170	63 478	67 214	71 597
Sewerage	38 378	41 505	58 276	58 197	60 095	60 095	54 574	57 749	61 608
Storm Water Management	4 088	4 460	6 024	6 548	6 772	6 772	8 478	9 015	9 514
Public Toilets			359	394	333	333	426	450	475
Waste management	37 573	40 102	36 085	36 489	101 052	101 052	54 264	57 193	60 245
Solid Waste	37 573	40 102	36 085	36 489	101 052	101 052	54 264	57 193	60 245
Other									
Air Transport									
Abattoirs									
Tourism									
Forestry									
Markets									
<b>Total Expenditure - Standard</b>	742 525	752 076	832 022	869 588	933 322	933 322	964 529	1 037 493	1 096 292
<b>Surplus/Deficit for the year</b>	(81 607)	10 899	(45 015)	(48 747)	(65 423)	(65 423)	(5 140)	(3 395)	3 679



WC032 Overstrand - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>Revenue by Vote</b>									
Vote 1 - Council	31 483	38 353	42 274	52 401	52 401	52 401	64 808	72 470	79 794
Vote 2 - Municipal Manager	-	-	-	-	-	-	-	-	-
Vote 3 - Management Services	1 254	1 475	1 285	2 410	1 844	1 844	991	1 018	1 034
Vote 4 - Finance	127 745	137 728	150 786	169 055	170 420	170 420	180 339	191 521	204 328
Vote 5 - Community Services	245 501	253 932	276 528	253 829	296 171	288 171	272 957	284 007	300 608
Vote 6 - Local Economic Development	2 817	3 750	5 431	2 968	2 968	2 968	3 091	1 573	1 730
Vote 7 - Infrastructure & Planning	242 061	307 588	281 304	328 955	318 002	318 002	308 527	443 945	473 575
Vote 8 - Protection Services	10 048	20 142	28 300	13 164	36 094	36 094	37 576	39 164	40 802
<b>Total Revenue by Vote</b>	<b>660 918</b>	<b>752 959</b>	<b>787 007</b>	<b>820 842</b>	<b>867 930</b>	<b>867 930</b>	<b>959 389</b>	<b>1 034 098</b>	<b>1 101 971</b>
<b>Expenditure by Vote to be appropriated</b>									
Vote 1 - Council	55 945	64 385	68 239	63 289	64 228	64 228	71 496	78 840	87 921
Vote 2 - Municipal Manager	2 872	3 243	1 295	1 003	780	780	4 489	3 643	3 885
Vote 3 - Management Services	32 796	30 890	5 492	15 189	13 315	13 315	43 327	45 523	48 384
Vote 4 - Finance	48 679	51 399	23 830	24 503	25 398	25 398	69 750	71 154	75 197
Vote 5 - Community Services	322 230	296 339	394 516	386 685	380 485	380 485	341 452	371 483	392 545
Vote 6 - Local Economic Development	5 845	7 722	9 945	11 140	10 916	10 916	8 731	7 454	7 931
Vote 7 - Infrastructure & Planning	232 916	254 841	271 782	318 607	364 933	364 933	355 793	387 029	401 279
Vote 8 - Protection Services	31 241	42 551	56 923	49 173	73 288	73 288	89 453	72 280	75 270
<b>Total Expenditure by Vote</b>	<b>742 525</b>	<b>752 070</b>	<b>832 022</b>	<b>869 588</b>	<b>933 322</b>	<b>933 322</b>	<b>964 529</b>	<b>1 037 493</b>	<b>1 098 292</b>
<b>Surplus/Deficit for the year</b>	<b>(81 607)</b>	<b>10 889</b>	<b>(45 015)</b>	<b>(48 747)</b>	<b>(65 423)</b>	<b>(65 423)</b>	<b>(5 140)</b>	<b>(3 395)</b>	<b>3 679</b>





WC032 Overstrand - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)A

Vote Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>Revenue By Vote</b>									
<b>Vote 1 - Council</b>	31 483	38 353	42 274	52 401	52 401	52 401	64 808	72 470	79 794
1.1 - Council General	31 483	38 353	42 274	52 401	52 401	52 401	64 808	72 470	79 794
1.2 - Mayor's Office									
1.3 - Pensioners & Continued Members									
<b>Vote 2 - Municipal Manager</b>	-	-	-	-	-	-	-	-	-
2.1 - Municipal Manager									
2.2 - Internal Audit									
<b>Vote 3 - Management Services</b>	1 264	1 476	1 286	2 410	1 844	1 844	391	1 013	1 094
3.1 - Director Management Services		166	631		-	-			
3.2 - Communication					-	-			
3.3 - Legal Services					-	-			
3.4 - Strategic Services					-	-			
3.5 - Human Resources	1 217	1 158	305	905	908	908	60	60	60
3.6 - Info & Communication Technology	46	150	350	1 500	934	934	930	967	1 032
3.7 - Council Support Services	2	3		2	2	2	1	1	1
3.8 - Social Development					-	-			
3.9 - Risk Management					-	-			
3.10 - Municipal Court					-	-			
<b>Vote 4 - Finance</b>	127 745	137 728	189 768	189 995	170 420	170 420	188 339	191 921	204 338
4.1 - Director Finance					-	-			
4.2 - Deputy Director Finance	1 250	1 250	1 455	884	2 209	2 209	1 459	1 475	1 550
4.3 - Accounting Services	6 881	8 049	7 192	6 166	6 166	6 166	6 348	6 348	6 348
4.4 - Expenditure & Asset Management	18	18	25	21	21	21	15	16	16
4.5 - Revenue	6 908	7 418	7 154	8 365	8 365	8 365	9 579	10 842	11 705
4.6 - Supply Chain Management	78	138	101	110	110	110	121	133	148
4.7 - Data Control		22			-	-			
4.8 - Assessment Rates	112 609	120 833	134 860	153 549	153 549	153 549	162 730	173 368	184 573
<b>Vote 5 - Community Services</b>	245 501	253 932	276 626	253 829	286 171	286 171	272 957	284 067	300 535
5.1 - Director & Administration	1 146	1 107	908	5 525	5 443	5 443	6 447	5 691	6 034
5.2 - Offices & Community Buildings	556	891	971	1 803	2 469	2 469	1 708	5 451	5 580
5.3 - Parks & Townlands, Cemeteries	1 787	1 970	1 920	2 121	2 121	2 121	4 238	4 584	4 986
5.4 - Libraries	230	129	253	118	118	118	123	134	145
5.5 - Sport & Recreation	6 609	7 765	11 427	9 565	9 191	9 191	11 942	14 242	14 786
5.6 - Housing & Social Upliftment	3 953	19 363	29 116	583	30 735	30 735	453	496	543
5.7 - Roads & Stormwater	4 748	15 060	17 849	6 498	9 070	9 070	13 368	5 200	5 200
5.8 - Water	108 189	96 325	96 086	96 872	96 872	96 872	106 211	113 028	120 078
5.9 - Sewerage	78 655	63 963	65 032	71 055	69 906	69 906	66 926	72 265	76 229
5.10 - Refuse	39 803	46 758	53 054	59 091	60 248	60 248	59 544	63 118	66 906
<b>Vote 6 - Local Economic Development</b>	2 817	3 750	6 431	2 968	2 968	2 968	3 091	1 573	1 730
6.1 - Director Economic Development & Planning	2 817	3 750	5 207	1 768	1 768	1 768	1 661		
6.2 - Tourism					-	-			
6.3 - Parking Services			1 224	1 200	1 200	1 200	1 430	1 573	1 730
<b>Vote 7 - Infrastructure &amp; Planning</b>	242 061	307 588	281 364	326 935	318 002	318 002	399 527	442 945	473 675
7.1 - Director Infrastructure & Planning			1 000		-	-			
7.2 - Deputy Director Engineering Planning	1 741	400	759	1 100	1 185	1 185	0	0	0
7.3 - Engineering Services & Housing Development				7 993	-	-	47 114	62 230	53 250
7.4 - Town Planning	758	794	912	803	803	803	1 112	1 223	1 346
7.5 - Geographical Info System (GIS)					-	-			
7.6 - Building Control Services	3 486	2 963	3 750	3 594	3 594	3 594	4 840	5 324	5 865
7.7 - Environmental Management Services	299	55	319	76	76	76	101	110	121
7.8 - Electricity	229 488	249 645	270 880	313 388	312 305	312 305	346 361	375 057	413 102
7.9 - Solid Waste Planning & Solid Waste Disposal			12		38	38			
7.10 - Property Administration	6 290	53 722	3 670		-	-			
<b>Vote 8 - Protection Services</b>	10 048	29 142	28 300	13 184	36 094	36 094	37 676	39 164	40 802
8.1 - Director Protection Services		50	160		-	-			
8.2 - Traffic	9 701	18 557	27 437	12 862	35 802	35 802	37 255	38 701	40 292
8.3 - Law Enforcement	119	115	79	42	42	42	97	106	117
8.4 - Vehicle Testing					-	-			
8.5 - Fire Brigade/Disaster Management	228	307	684	250	250	250	325	358	393
8.6 - Vehicle Licensing		1 112			-	-			
<b>Total Revenue by Vote</b>	<b>660 918</b>	<b>762 969</b>	<b>767 007</b>	<b>820 842</b>	<b>867 900</b>	<b>867 900</b>	<b>959 389</b>	<b>1 034 098</b>	<b>1 101 571</b>



WC032 Overstrand - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)A

Vote Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>Expenditure by Vote</b>									
<b>Vote 1 - Council</b>	<b>55 945</b>	<b>64 385</b>	<b>68 239</b>	<b>63 289</b>	<b>64 228</b>	<b>64 228</b>	<b>71 496</b>	<b>78 840</b>	<b>87 821</b>
1.1 - Council General	54 911	53 358	66 203	62 915	63 855	63 855	70 556	77 890	86 877
1.2 - Mayor's Office	1 029	1 022	28	365	365	365	832	882	935
1.3 - Pensioners & Continued Members	6	7	8	8	8	8	8	8	9
<b>Vote 2 - Municipal Manager</b>	<b>2 972</b>	<b>3 243</b>	<b>1 295</b>	<b>1 003</b>	<b>780</b>	<b>780</b>	<b>4 469</b>	<b>3 843</b>	<b>3 865</b>
2.1 - Municipal Manager	1 897	1 824	378	579	578	578	2 275	1 335	1 425
2.2 - Internal Audit	974	1 409	917	424	202	202	2 194	2 508	2 439
<b>Vote 3 - Management Services</b>	<b>32 796</b>	<b>30 880</b>	<b>5 492</b>	<b>15 188</b>	<b>13 315</b>	<b>13 315</b>	<b>43 327</b>	<b>45 629</b>	<b>48 344</b>
3.1 - Director: Management Services	9 381	4 451	1 482	444	(130)	(130)	5 709	5 733	6 064
3.2 - Communication	2 218	2 280	41	1 234	716	716	2 757	2 926	3 052
3.3 - Legal Services	840	1 358	779	805	1 300	1 300	2 974	3 127	3 297
3.4 - Strategic Services	1 699	1 084	166	394	394	394	1 408	1 616	1 696
3.5 - Human Resources	8 268	9 323	1 826	3 899	3 675	3 675	9 594	10 145	10 852
3.6 - Info & Communication Technology	12 282	10 595	(732)	4 880	3 762	3 762	15 508	16 418	17 451
3.7 - Council Support Services	2 387	2 673	983	987	866	866	3 527	3 713	3 895
3.8 - Social Development			700	1 153	1 153	1 153	1 100	1 158	1 235
3.9 - Risk Management				543	520	520			
3.10 - Municipal Court			139	1 342	1 056	1 056	749	794	841
<b>Vote 4 - Finance</b>	<b>48 679</b>	<b>51 389</b>	<b>23 830</b>	<b>24 503</b>	<b>25 398</b>	<b>25 398</b>	<b>69 750</b>	<b>71 154</b>	<b>75 197</b>
4.1 - Director: Finance	1 515	1 717	502	594	570	570	2 042	2 185	2 296
4.2 - Deputy Director: Finance	2 005	4 385	4 347	2 217	3 542	3 542	6 983	7 342	7 781
4.3 - Accounting Services	5 205	3 561	424	1 503	1 523	1 523	5 275	5 515	5 798
4.4 - Expenditure & Asset Management	6 957	7 654	1 798	1 989	2 643	2 643	10 240	10 973	11 879
4.5 - Revenue	19 209	20 869	7 154	7 423	6 958	6 958	24 980	26 656	28 525
4.6 - Supply Chain Management	5 924	7 247	4 138	2 775	2 151	2 151	9 043	9 412	9 959
4.7 - Data Control	556	518	186	241	240	240	966	1 024	1 085
4.8 - Assessment Rates	6 514	5 449	5 121	7 789	7 780	7 780	10 312	8 065	8 194
<b>Vote 5 - Community Services</b>	<b>332 230</b>	<b>296 338</b>	<b>394 516</b>	<b>386 885</b>	<b>380 465</b>	<b>380 465</b>	<b>341 492</b>	<b>371 462</b>	<b>392 545</b>
5.1 - Director & Administration	33 974	38 337	13 822	16 741	14 577	14 577	27 328	40 784	43 021
5.2 - Offices & Community Buildings	6 879	6 534	4 887	4 816	4 798	4 798	6 381	6 727	7 188
5.3 - Parks & Townships, Cemeteries	13 943	14 215	19 444	21 333	21 317	21 317	20 558	21 649	22 976
5.4 - Libraries	4 257	4 848	6 218	7 074	7 028	7 028	6 542	6 989	7 400
5.5 - Sport & Recreation	15 378	14 271	18 827	22 248	20 744	20 744	18 220	19 390	20 556
5.6 - Housing & Social Upkeep	54 394	4 273	28 318	9 554	9 812	9 812	5 750	6 053	6 374
5.7 - Roads & Stormwater	79 802	75 508	98 348	101 919	101 256	101 256	92 424	97 871	103 433
5.8 - Water	53 445	61 422	69 439	53 157	90 979	90 979	78 253	81 294	85 130
5.9 - Sewerage	38 378	41 585	58 634	59 390	61 094	61 094	55 000	58 199	62 383
5.10 - Refuse	32 580	35 466	46 688	50 955	48 859	48 859	31 035	32 607	34 390
<b>Vote 6 - Local Economic Development</b>	<b>5 845</b>	<b>7 722</b>	<b>9 945</b>	<b>11 140</b>	<b>10 915</b>	<b>10 915</b>	<b>8 731</b>	<b>7 464</b>	<b>7 931</b>
6.1 - Director: Economic Development & Planning	5 845	4 720	4 291	4 853	4 726	4 726	5 072	4 223	4 497
6.2 - Tourism		2 002	3 620	3 752	3 555	3 555	2 741	2 901	3 079
6.3 - Parking Services			1 833	2 534	2 634	2 634	317	336	358
<b>Vote 7 - Infrastructure &amp; Planning</b>	<b>232 916</b>	<b>254 841</b>	<b>271 782</b>	<b>318 607</b>	<b>364 933</b>	<b>364 933</b>	<b>355 793</b>	<b>387 020</b>	<b>407 279</b>
7.1 - Director: Infrastructure & Planning	2 137	2 781	432	1 220	1 216	1 216	2 384	2 611	2 759
7.2 - Deputy Director: Engineering Planning	11 223	9 124	2 315	4 424	4 240	4 240	9 684	9 083	9 696
7.3 - Engineering Services & Housing Development	1 884	2 003	1 955	1 577	1 347	1 347	32 871	30 155	11 730
7.4 - Town Planning	9 268	9 494	10 635	12 970	12 688	12 688	11 192	11 915	12 520
7.5 - Geographical Info System (GIS)	1 040	1 128	495	886	708	708	1 289	1 378	1 494
7.6 - Building Control Services	4 113	4 027	4 954	5 297	5 526	5 526	5 030	5 212	5 703
7.7 - Environmental Management Services	5 011	6 824	7 306	7 035	7 204	7 204	6 952	7 217	7 651
7.8 - Electricity	177 473	188 933	248 154	273 351	273 788	273 788	258 118	288 393	323 153
7.9 - Solid Waste Planning & Solid Waste Disposal	4 893	4 636	(10 583)	5 534	5 178	5 178	23 229	24 496	25 955
7.10 - Property Administration	16 066	17 089	6 440	8 484	6 440	6 440	6 064	6 430	6 817
<b>Vote 8 - Protection Services</b>	<b>31 241</b>	<b>42 651</b>	<b>56 923</b>	<b>49 173</b>	<b>73 288</b>	<b>73 288</b>	<b>69 453</b>	<b>72 280</b>	<b>75 270</b>
8.1 - Director: Protection Services	1 336	1 518	1 209	1 600	1 804	1 804	1 948	2 064	2 191
8.2 - Traffic	11 808	19 243	30 524	20 115	42 437	42 437	41 049	42 189	43 361
8.3 - Law Enforcement	9 438	10 668	13 656	14 428	13 987	13 987	12 795	13 682	14 534
8.4 - Vehicle Testing	219	178	316	324	553	553	296	314	321
8.5 - Fire Brigade/Disaster Management	8 441	9 619	11 187	12 707	14 407	14 407	12 277	12 885	13 648
8.6 - Vehicle Licensing		1 425					1 087	1 148	1 215
<b>Total Expenditure by Vote</b>	<b>742 525</b>	<b>752 079</b>	<b>832 022</b>	<b>869 568</b>	<b>933 322</b>	<b>933 322</b>	<b>964 529</b>	<b>1 037 493</b>	<b>1 098 292</b>
Surplus/Deficit for the year	(81 607)	10 899	(45 915)	(48 747)	(65 423)	(65 423)	(5 140)	(3 395)	3 679





WC032 Overstrand - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>R thousand</b>									
<b>Revenue By Source</b>									
Property rates	108 913	120 799	134 813	148 840	153 509	153 509	162 730	173 308	184 573
Property rates - penalties & collection charges	925	772	821	1 050	1 050	1 050	991	980	1 078
Service charges - electricity revenue	224 950	247 663	268 382	310 085	310 085	310 085	338 877	371 635	407 747
Service charges - water revenue	83 755	85 243	95 138	95 897	95 897	95 897	102 045	107 700	113 691
Service charges - sanitation revenue	57 212	56 895	62 798	63 455	63 455	63 455	55 375	70 081	74 010
Service charges - refuse revenue	39 498	48 837	52 957	56 130	56 130	56 130	59 488	63 061	66 849
Service charges - other	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment	5 743	7 212	7 591	7 968	7 966	7 966	11 659	12 853	14 175
Interest earned - external investments	5 881	7 565	6 352	6 186	6 166	6 166	6 348	6 348	6 348
Interest earned - outstanding debtors	2 331	2 199	2 118	2 288	2 288	2 288	2 437	2 580	2 948
Dividends received	-	-	-	-	-	-	-	-	-
Fines	5 278	14 244	22 739	7 965	30 875	30 875	31 859	32 765	33 763
Licences and permits	1 786	1 968	1 958	2 229	2 229	2 229	2 190	2 408	2 649
Agency services	1 912	2 025	2 385	2 480	2 480	2 480	2 370	3 267	3 594
Transfers recognised - operational	38 005	41 680	67 835	58 407	61 289	61 288	90 324	107 886	97 173
Other revenue	17 375	68 978	10 504	21 717	16 933	16 933	16 343	18 150	19 812
Gains on disposal of PPE	1 920	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>597 482</b>	<b>703 871</b>	<b>736 376</b>	<b>784 474</b>	<b>810 351</b>	<b>810 351</b>	<b>899 035</b>	<b>973 222</b>	<b>1 028 409</b>
<b>Expenditure By Type</b>									
Employee related costs	207 938	231 642	250 645	250 068	278 217	278 217	291 593	305 408	323 583
Remuneration of councillors	5 717	7 084	7 933	8 516	8 516	8 516	8 674	9 192	9 741
Debt impairment	28	6 688	12 526	-	22 792	22 792	22 752	22 792	22 792
Depreciation & asset impairment	104 041	104 408	95 361	109 265	105 461	105 461	111 362	118 043	125 126
Finance charges	31 727	37 331	39 927	45 162	44 480	44 480	46 895	46 780	47 279
Bulk purchases	126 669	145 022	157 055	169 444	169 444	169 444	193 573	221 138	252 628
Other materials	54 582	12 441	13 585	17 295	17 315	17 315	57 801	65 611	53 593
Contracted services	24 079	57 697	72 754	81 062	82 467	82 467	125 322	128 122	135 442
Transfers and grants	28 454	35 856	38 749	41 370	41 668	41 668	48 497	54 667	62 244
Other expenditure	158 250	102 146	117 466	117 407	164 963	164 963	58 021	61 721	65 860
Loss on disposal of PPE	-	1 758	12 017	-	-	-	-	-	-
<b>Total Expenditure</b>	<b>742 525</b>	<b>752 070</b>	<b>822 022</b>	<b>899 588</b>	<b>933 322</b>	<b>933 322</b>	<b>964 529</b>	<b>1 027 493</b>	<b>1 098 292</b>
<b>Surplus/(Deficit)</b>	<b>(145 043)</b>	<b>(48 199)</b>	<b>(85 646)</b>	<b>(85 115)</b>	<b>(122 971)</b>	<b>(122 971)</b>	<b>(65 494)</b>	<b>(54 271)</b>	<b>(69 883)</b>
Transfers recognised - capital	54 833	53 809	38 050	34 234	55 458	55 458	63 354	80 676	73 561
Contributions recognised - capital	8 603	5 289	7 871	2 134	2 051	2 051	1 000	-	-
Contributed assets	-	-	4 671	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>(81 607)</b>	<b>10 899</b>	<b>(45 015)</b>	<b>(48 747)</b>	<b>(65 423)</b>	<b>(65 423)</b>	<b>(5 140)</b>	<b>(3 395)</b>	<b>1 679</b>
Taxation	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after taxation</b>	<b>(81 607)</b>	<b>10 899</b>	<b>(45 015)</b>	<b>(48 747)</b>	<b>(65 423)</b>	<b>(65 423)</b>	<b>(5 140)</b>	<b>(3 395)</b>	<b>1 679</b>
Attributable to minorities	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) attributable to municipality</b>	<b>(81 607)</b>	<b>10 899</b>	<b>(45 015)</b>	<b>(48 747)</b>	<b>(65 423)</b>	<b>(65 423)</b>	<b>(5 140)</b>	<b>(3 395)</b>	<b>1 679</b>
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) for the year</b>	<b>(81 607)</b>	<b>10 899</b>	<b>(45 015)</b>	<b>(48 747)</b>	<b>(65 423)</b>	<b>(65 423)</b>	<b>(5 140)</b>	<b>(3 395)</b>	<b>1 679</b>



WC032 Overstrand - Table A5 Budgeted Capital Expenditure by vote, standard classification and funding

Vote Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>R thousand</b>									
<b>Capital expenditure - Vote</b>									
<b>Multi-year expenditure, to be appropriated</b>									
Vote 1 - Council	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager	-	-	-	-	-	-	-	-	-
Vote 3 - Management Services	-	-	-	-	-	-	-	-	-
Vote 4 - Finance	-	-	-	-	-	-	-	-	-
Vote 5 - Community Services	-	-	5 000	4 939	3 585	3 585	21 911	4 500	4 000
Vote 6 - Local Economic Development	-	-	-	-	-	-	-	-	-
Vote 7 - Infrastructure & Planning	-	-	-	-	-	-	11 451	3 000	3 000
Vote 8 - Protection Services	-	-	-	-	-	-	-	-	-
<b>Capital multi-year expenditure sub-total</b>	-	-	5 000	4 939	3 585	3 585	33 362	7 500	7 000
<b>Single-year expenditure, to be appropriated</b>									
Vote 1 - Council	-	-	-	-	-	-	-	-	-
Vote 2 - Municipal Manager	-	-	-	-	-	-	-	-	-
Vote 3 - Management Services	928	1 274	1 790	2 548	2 534	2 534	2 528	-	-
Vote 4 - Finance	-	-	-	-	-	-	-	-	-
Vote 5 - Community Services	119 308	110 111	74 622	71 999	92 038	92 038	56 809	72 106	79 581
Vote 6 - Local Economic Development	-	945	-	-	-	-	-	-	-
Vote 7 - Infrastructure & Planning	42 394	31 424	48 518	16 235	19 450	19 450	10 920	15 000	17 000
Vote 8 - Protection Services	645	-	-	-	-	-	295	-	-
<b>Capital single-year expenditure sub-total</b>	163 275	143 764	125 930	92 781	114 022	114 022	70 552	87 106	96 581
<b>Total Capital Expenditure - Vote</b>	163 275	143 764	130 930	97 721	117 588	117 588	103 914	94 606	103 581
<b>Capital Expenditure - Standard</b>									
<b>Governance and administration</b>	24 047	7 154	21 308	16 815	17 776	17 776	2 648	3 730	-
Executive and council	-	-	-	-	-	-	-	-	-
Budget and treasury office	-	-	-	-	-	-	-	-	-
Corporate services	24 047	7 154	21 308	16 815	17 776	17 776	2 648	3 730	-
<b>Community and public safety</b>	1 319	7 268	19 582	21 205	42 622	42 622	39 768	45 530	55 174
Community and social services	327	4 666	3 482	5 835	5 595	5 595	3 520	4 000	4 000
Sport and recreation	1 531	2 801	5 696	3 090	2 618	2 618	5 881	8 800	6 800
Public safety	645	-	-	-	-	-	295	-	-
Housing	817	-	10 404	12 480	34 410	34 410	29 973	34 750	44 374
Health	-	-	-	-	-	-	-	-	-
<b>Economic and environmental services</b>	8 340	25 532	16 051	5 400	6 300	6 300	12 128	4 000	4 000
Planning and development	2 883	945	-	-	-	-	25	-	-
Road transport	5 477	24 607	16 051	5 400	6 300	6 300	12 103	4 000	4 000
Environmental protection	-	-	-	-	-	-	-	-	-
<b>Trading services</b>	127 569	103 790	73 989	54 300	56 087	56 087	49 370	41 328	44 387
Electricity	30 061	26 758	37 115	17 000	17 000	17 000	21 726	14 000	16 000
Water	57 384	50 766	23 631	12 800	16 384	16 384	16 390	14 728	16 787
Waste water management	35 927	20 728	10 202	14 300	13 403	13 403	11 244	12 600	12 600
Waste management	196	5 528	3 041	10 200	9 300	9 300	10	-	-
Other	-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure - Standard</b>	163 275	143 764	130 930	97 721	122 785	122 785	103 914	94 606	103 581
<b>Funded by:</b>									
National Government	40 212	36 911	5 329	24 174	23 909	23 908	30 347	26 126	29 167
Provincial Government	14 621	16 898	31 751	10 060	31 890	31 890	33 007	34 750	44 374
District Municipality	-	-	-	-	-	-	-	-	-
Other transfers and grants	-	-	-	2 134	1 000	1 000	1 000	-	-
Transfers recognised - capital	54 533	52 909	38 090	36 368	36 498	36 498	64 354	60 876	73 581
Public contributions & donations	14 300	5 067	7 885	-	1 836	1 836	462	-	-
Borrowing	73 954	67 544	70 534	46 923	48 770	48 770	32 346	30 000	30 000
Internally generated funds	20 178	17 348	14 222	14 430	15 582	15 582	6 753	3 730	-
<b>Total Capital Funding</b>	163 275	143 764	130 930	97 721	122 785	122 785	103 914	94 606	103 581



WC032 Overstrand - Table A5 Budgeted Capital Expenditure by vote, standard classification and funding

Vote Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand									
<b>Capital expenditure - Municipal Vote</b>									
<b>Multi-year expenditure appropriation</b>									
<b>Vote 1 - Council</b>	-	-	-	-	-	-	-	-	-
1.1 - Council General	-	-	-	-	-	-	-	-	-
1.2 - Mayor's Office	-	-	-	-	-	-	-	-	-
1.3 - Pensioners & Continued Members	-	-	-	-	-	-	-	-	-
<b>Vote 2 - Municipal Manager</b>	-	-	-	-	-	-	-	-	-
2.1 - Municipal Manager	-	-	-	-	-	-	-	-	-
2.2 - Internal Audit	-	-	-	-	-	-	-	-	-
<b>Vote 3 - Management Services</b>	-	-	-	-	-	-	-	-	-
3.1 - Director Management Services	-	-	-	-	-	-	-	-	-
3.2 - Communication	-	-	-	-	-	-	-	-	-
3.3 - Legal Services	-	-	-	-	-	-	-	-	-
3.4 - Strategic Services	-	-	-	-	-	-	-	-	-
3.5 - Human Resources	-	-	-	-	-	-	-	-	-
3.6 - Info & Communication Technology	-	-	-	-	-	-	-	-	-
3.7 - Council Support Services	-	-	-	-	-	-	-	-	-
3.8 - Social Development	-	-	-	-	-	-	-	-	-
3.9 - Risk Management	-	-	-	-	-	-	-	-	-
3.10 - Municipal Court	-	-	-	-	-	-	-	-	-
<b>Vote 4 - Finance</b>	-	-	-	-	-	-	-	-	-
4.1 - Director Finance	-	-	-	-	-	-	-	-	-
4.2 - Deputy Director Finance	-	-	-	-	-	-	-	-	-
4.3 - Accounting Services	-	-	-	-	-	-	-	-	-
4.4 - Expenditure & Asset Management	-	-	-	-	-	-	-	-	-
4.5 - Revenue	-	-	-	-	-	-	-	-	-
4.6 - Supply Chain Management	-	-	-	-	-	-	-	-	-
4.7 - Data Control	-	-	-	-	-	-	-	-	-
4.8 - Assessment Rates	-	-	-	-	-	-	-	-	-
<b>Vote 5 - Community Services</b>	-	-	5 000	4 839	3 565	3 565	21 911	4 500	4 000
5.1 - Director & Administration	-	-	-	-	-	-	-	-	-
5.2 - Offices & Community Buildings	-	-	-	-	-	-	-	-	-
5.3 - Parks & Townlands, Cemeteries	-	-	-	-	-	-	-	-	-
5.4 - Libraries	-	-	-	2 000	2 000	2 000	3 034	-	-
5.5 - Sport & Recreation	-	-	3 000	2 839	1 565	1 565	5 613	-	-
5.6 - Housing & Social Upliftment	-	-	-	-	-	-	-	-	-
5.7 - Roads & Stormwater	-	-	-	-	-	-	-	-	-
5.8 - Water	-	-	-	-	-	-	9 717	-	4 000
5.9 - Sewerage	-	-	-	-	-	-	3 547	4 500	-
5.10 - Refuse	-	-	-	-	-	-	-	-	-
<b>Vote 6 - Local Economic Development</b>	-	-	-	-	-	-	-	-	-
6.1 - Director Economic Development & Planning	-	-	-	-	-	-	-	-	-
6.2 - Tourism	-	-	-	-	-	-	-	-	-
6.3 - Parking Services	-	-	-	-	-	-	-	-	-
<b>Vote 7 - Infrastructure &amp; Planning</b>	-	-	-	-	-	-	11 451	3 000	3 000
7.1 - Director Infrastructure & Planning	-	-	-	-	-	-	-	-	-
7.2 - Deputy Director Engineering Planning	-	-	-	-	-	-	-	-	-
7.3 - Engineering Services & Housing Development	-	-	-	-	-	-	-	-	-
7.4 - Town Planning	-	-	-	-	-	-	-	-	-
7.5 - Geographical Info System (GIS)	-	-	-	-	-	-	-	-	-
7.6 - Building Control Services	-	-	-	-	-	-	-	-	-
7.7 - Environmental Management Services	-	-	-	-	-	-	-	-	-
7.8 - Electricity	-	-	-	-	-	-	11 451	3 000	3 000
7.9 - Solid Waste Planning & Solid Waste Disposal	-	-	-	-	-	-	-	-	-
7.10 - Property Administration	-	-	-	-	-	-	-	-	-
<b>Vote 8 - Protection Services</b>	-	-	-	-	-	-	-	-	-
8.1 - Director Protection Services	-	-	-	-	-	-	-	-	-
8.2 - Traffic	-	-	-	-	-	-	-	-	-
8.3 - Law Enforcement	-	-	-	-	-	-	-	-	-
8.4 - Vehicle testing	-	-	-	-	-	-	-	-	-
8.5 - Fire Brigade/Disaster Management	-	-	-	-	-	-	-	-	-
8.6 - Vehicle Licensing	-	-	-	-	-	-	-	-	-
<b>Capital multi-year expenditure sub-total</b>	-	-	5 000	4 839	3 565	3 565	33 362	7 500	7 000



<b>Capital Expenditure - Municipal Vote</b>									
<b>Transportation subcommittee expenditures</b>									
<b>Vote 1 - Council</b>									
1.1 - Council General	-	-	-	-	-	-	-	-	-
1.2 - Mayor's Office	-	-	-	-	-	-	-	-	-
1.3 - Personnel & Continued Members	-	-	-	-	-	-	-	-	-
<b>Vote 2 - Municipal Manager</b>									
2.1 - Municipal Manager	-	-	-	-	-	-	-	-	-
2.2 - Internal Audit	-	-	-	-	-	-	-	-	-
<b>Vote 3 - Management Services</b>									
3.1 - Director Management Services	80	1 210	1 790	2 540	2 534	2 534	2 420	-	-
3.2 - Consultation	-	-	-	-	-	-	-	-	-
3.3 - Legal Services	-	-	-	-	-	-	-	-	-
3.4 - Strategic Services	-	-	-	-	-	-	-	-	-
3.5 - Human Resources	-	-	-	-	-	-	-	-	-
3.6 - Info & Communication Technology	820	1 210	1 790	2 540	2 534	2 534	2 420	-	-
3.7 - Council Support Services	-	-	-	-	-	-	-	-	-
3.8 - Social Development	-	-	-	-	-	-	-	-	-
3.9 - Risk Management	-	-	-	-	-	-	-	-	-
3.10 - Municipal Court	-	-	-	-	-	-	-	-	-
<b>Vote 4 - Finance</b>									
4.1 - Director Finance	-	-	-	-	-	-	-	-	-
4.2 - Deputy Director Finance	-	-	-	-	-	-	-	-	-
4.3 - Accounting Services	-	-	-	-	-	-	-	-	-
4.4 - Expenditure & Asset Management	-	-	-	-	-	-	-	-	-
4.5 - Revenue	-	-	-	-	-	-	-	-	-
4.6 - Supply Chain Management	-	-	-	-	-	-	-	-	-
4.7 - Debt Control	-	-	-	-	-	-	-	-	-
4.8 - Assessment Rates	-	-	-	-	-	-	-	-	-
<b>Vote 5 - Community Services</b>									
5.1 - Director & Administration	119 288	118 167	14 622	71 889	62 858	62 150	35 889	72 104	19 561
5.2 - Offices & Community Buildings	10 780	5 880	10 021	10 661	10 287	10 007	120	2 750	-
5.3 - Parks & Townships, Cemeteries	-	-	-	-	-	-	-	-	-
5.4 - Libraries	-	-	-	-	-	-	-	-	-
5.5 - Sport & Recreation	5 000	2 801	698	131	1 001	1 001	220	8 800	8 800
5.6 - Housing & Social Upliftment	-	-	10 404	12 480	29 212	29 212	29 073	34 750	44 374
5.7 - Roads & Stormwater	12 754	30 771	18 044	6 200	7 632	7 632	10 819	5 000	5 000
5.8 - Water	57 384	82 790	22 421	12 400	18 384	18 384	4 875	16 720	11 737
5.9 - Sewerage	32 882	34 421	10 199	13 600	12 071	12 071	4 750	7 100	11 400
5.10 - Refuse	186	5 520	3 041	10 200	8 200	8 200	10	-	-
<b>Vote 6 - Local Economic Development</b>									
6.1 - Director Economic Development & Planning	-	640	-	-	-	-	-	-	-
6.2 - Tourism	-	542	-	-	-	-	-	-	-
6.3 - Parking Services	-	-	-	-	-	-	-	-	-
<b>Vote 7 - Infrastructure &amp; Planning</b>									
7.1 - Director Infrastructure & Planning	42 394	31 434	46 818	18 733	19 458	19 458	19 620	19 804	17 990
7.2 - Deputy Director Engineering Planning	-	-	-	-	-	-	-	-	-
7.3 - Engineering Services & Housing Development	-	-	-	-	-	-	-	-	-
7.4 - Town Planning	-	-	-	-	-	-	-	-	-
7.5 - Geographic Info System (GIS)	-	-	-	-	-	-	-	-	-
7.6 - Building Control Services	-	-	-	-	-	-	-	-	-
7.7 - Environmental Management Services	-	-	-	-	-	-	-	-	-
7.8 - Electricity	30 061	28 768	37 310	15 000	17 000	17 000	10 270	11 300	12 000
7.9 - Solid Waste Planning & Solid Waste Disposal	-	-	-	-	-	-	-	-	-
7.10 - Property Administration	12 322	4 960	12 463	1 200	2 400	2 400	640	4 000	4 000
<b>Vote 8 - Protection Services</b>									
8.1 - Director Protection Services	840	-	-	-	-	-	294	-	-
8.2 - Traffic	840	-	-	-	-	-	294	-	-
8.3 - Law Enforcement	-	-	-	-	-	-	-	-	-
8.4 - Vehicle Testing	-	-	-	-	-	-	-	-	-
8.5 - Fire Brigade/Disaster Management	-	-	-	-	-	-	-	-	-
8.6 - Vehicle Licensing	-	-	-	-	-	-	-	-	-
<b>Capital single year expenditures sub-total</b>	163 275	143 794	125 938	82 781	114 627	114 622	70 502	87 166	88 561
<b>Total Capital Expenditure</b>	163 275	143 794	125 938	82 781	114 627	114 622	70 502	87 166	88 561



WC032 Overstrand - Table A6 Budgeted Financial Position

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>R (thousand)</b>									
<b>ASSETS</b>									
<b>Current assets</b>									
Cash	51 699	29 166	13 119	68 050	59 421	69 421	37 347	127 371	171 675
Call investment deposits	79 000	83 042	83 039	-	-	-	-	-	-
Consumer debtors	50 361	49 025	47 481	52 591	52 591	52 591	51 774	59 341	61 191
Other debtors	26 951	52 232	51 754	44 308	53 398	53 398	44 112	38 172	37 391
Current portion of long-term receivables	25	17	10	14	14	14	13	11	10
Inventory	16 440	30 267	13 137	12 392	11 082	11 082	14 483	15 207	15 268
<b>Total current assets</b>	<b>230 733</b>	<b>245 888</b>	<b>217 499</b>	<b>187 148</b>	<b>206 517</b>	<b>206 517</b>	<b>207 929</b>	<b>258 862</b>	<b>296 384</b>
<b>Non current assets</b>									
Long-term receivables	126	54	58	57	57	57	41	30	30
Investments	6 891	11 387	16 965	22 207	22 207	22 207	28 455	34 384	40 459
Investment property	104 673	175 863	164 521	179 865	164 507	164 507	164 507	164 507	164 507
Investment in Associates	-	-	-	-	-	-	-	-	-
Property, plant and equipment	2 073 314	2 087 120	2 111 066	2 072 423	2 140 791	2 140 791	2 122 147	2 098 677	2 079 080
Agricultural	-	-	-	-	-	-	-	-	-
Biological	-	-	-	-	-	-	-	-	-
Intangible	3 547	4 443	5 230	5 428	5 220	5 220	5 368	4 401	2 433
Other non-current assets	22 949	1 025	4 301	39 500	-	-	-	-	-
<b>Total non current assets</b>	<b>2 209 100</b>	<b>2 290 140</b>	<b>2 302 111</b>	<b>2 316 478</b>	<b>2 232 778</b>	<b>2 232 778</b>	<b>2 326 511</b>	<b>2 302 992</b>	<b>2 287 443</b>
<b>TOTAL ASSETS</b>	<b>4 509 833</b>	<b>4 736 028</b>	<b>4 479 610</b>	<b>4 503 626</b>	<b>4 299 295</b>	<b>4 299 295</b>	<b>4 334 440</b>	<b>4 861 854</b>	<b>5 273 827</b>
<b>LIABILITIES</b>									
<b>Current liabilities</b>									
Bank overdraft	-	-	-	-	-	-	-	-	-
Borrowing	18 138	18 361	29 443	25 105	25 064	29 084	28 173	37 730	34 370
Consumer deposits	31 258	34 932	37 761	41 321	41 321	41 321	43 801	48 429	49 215
Trade and other payables	47 728	79 489	84 643	55 931	60 563	60 563	74 228	76 579	64 789
Provisions	21 847	37 470	39 663	31 593	36 186	36 186	28 317	30 507	33 013
<b>Total current liabilities</b>	<b>119 971</b>	<b>169 252</b>	<b>191 507</b>	<b>153 950</b>	<b>162 134</b>	<b>167 154</b>	<b>174 519</b>	<b>193 245</b>	<b>178 387</b>
<b>Non current liabilities</b>									
Borrowing	341 254	364 632	352 444	411 788	412 829	412 829	415 899	415 265	416 503
Provisions	111 087	118 316	128 527	137 507	160 879	160 879	201 688	213 107	225 211
<b>Total non current liabilities</b>	<b>452 341</b>	<b>482 948</b>	<b>480 971</b>	<b>549 295</b>	<b>573 707</b>	<b>573 707</b>	<b>617 587</b>	<b>628 372</b>	<b>641 714</b>
<b>TOTAL LIABILITIES</b>	<b>572 312</b>	<b>652 199</b>	<b>672 478</b>	<b>703 245</b>	<b>735 841</b>	<b>740 861</b>	<b>792 106</b>	<b>821 617</b>	<b>820 101</b>
<b>NET ASSETS</b>	<b>3 937 521</b>	<b>4 083 829</b>	<b>3 807 132</b>	<b>3 799 381</b>	<b>3 563 454</b>	<b>3 558 434</b>	<b>3 542 334</b>	<b>4 040 237</b>	<b>4 453 726</b>
<b>COMMUNITY WEALTH/EQUITY</b>									
Accumulated Surplus/Deficit	2 847 332	2 849 834	2 805 240	2 808 576	2 791 889	2 791 889	2 133 973	2 136 262	2 733 965
Reserves	1 520	1 891	2 565	1 834	2 573	2 573	2 637	2 733	2 737
Monitored interests	-	-	-	-	-	-	-	-	-
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	<b>2 848 852</b>	<b>2 851 725</b>	<b>2 807 805</b>	<b>2 810 410</b>	<b>2 794 462</b>	<b>2 794 462</b>	<b>2 136 610</b>	<b>2 139 000</b>	<b>2 736 702</b>





WC032 Overstrand - Table A7 Budgeted Cash Flows

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>									
<b>Receipts</b>									
Property rates, penalties & collection charges	110 347	120 273	135 975	148 254	154 165	154 165	161 800	173 297	184 920
Service charges	397 229	437 061	483 167	522 072	524 216	524 216	567 409	608 375	658 596
Other revenues	69 694	41 689	63 976	46 516	63 257	63 257	76 884	75 476	74 750
Government - operating	37 750	44 140	63 477	58 407	61 289	61 289	90 324	107 386	97 473
Government - capital	54 633	54 577	38 090	36 368	57 549	57 549	64 354	80 878	73 661
Interest	9 211	9 754	6 470	8 454	8 454	8 454	8 794	9 028	9 296
Dividends	-	-	-	-	-	-	-	-	-
<b>Payments</b>									
Suppliers and employees	(520 159)	(556 519)	(637 833)	(653 525)	(658 105)	(658 105)	(766 303)	(808 560)	(835 753)
Finance charges	(31 469)	(37 199)	(39 858)	(45 162)	(44 480)	(44 480)	(46 895)	(46 760)	(47 279)
Transfers and Grants	(28 454)	(35 956)	(38 749)	(41 370)	(41 658)	(41 658)	(48 497)	(54 867)	(62 244)
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>	<b>98 561</b>	<b>75 920</b>	<b>76 616</b>	<b>80 014</b>	<b>126 676</b>	<b>126 676</b>	<b>110 861</b>	<b>125 532</b>	<b>152 720</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>									
<b>Receipts</b>									
Proceeds on disposal of PPE	13 722	1 725	5 073	-	-	-	-	-	-
Decrease (increase) in non-current debtors	2 189	-	-	-	-	-	-	-	-
Decrease (increase) other non-current receivables	20	45	19	15	15	15	18	13	11
Decrease (increase) in non-current investments	(4 430)	(4 960)	(4 529)	(5 827)	(5 827)	(5 827)	(9 248)	(5 530)	(6 025)
<b>Payments</b>									
Capital assets	(163 275)	(143 764)	(130 930)	(97 721)	(122 785)	(122 785)	(103 514)	(94 506)	(103 561)
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>	<b>(151 774)</b>	<b>(146 955)</b>	<b>(130 366)</b>	<b>(103 533)</b>	<b>(128 597)</b>	<b>(128 597)</b>	<b>(110 144)</b>	<b>(100 523)</b>	<b>(106 575)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>									
<b>Receipts</b>									
Short term loans	940	(389)	(730)	5 520	6 541	6 541	(1 135)	(1 271)	(1 352)
Borrowing long term/financing	110 000	38 700	51 306	40 000	40 000	40 000	30 000	30 000	30 000
Increase (decrease) in consumer deposits	12 844	3 726	2 819	2 703	2 703	2 703	2 479	2 628	2 786
<b>Payments</b>									
Repayment of borrowing	(14 295)	(13 554)	(20 626)	(21 061)	(21 061)	(21 061)	(23 936)	(25 841)	(29 775)
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>	<b>109 489</b>	<b>28 482</b>	<b>32 764</b>	<b>27 163</b>	<b>28 183</b>	<b>28 183</b>	<b>7 409</b>	<b>4 515</b>	<b>1 659</b>
<b>NET INCREASE/(DECREASE) IN CASH HELD</b>	<b>56 276</b>	<b>(42 552)</b>	<b>(20 989)</b>	<b>3 644</b>	<b>26 262</b>	<b>26 262</b>	<b>8 126</b>	<b>29 524</b>	<b>44 804</b>
Cash/cash equivalents at the year begin:	70 004	126 699	84 147	84 408	63 158	63 158	89 421	97 547	127 071
Cash/cash equivalents at the year end:	126 280	84 147	63 158	88 052	89 421	89 421	97 547	127 071	171 875



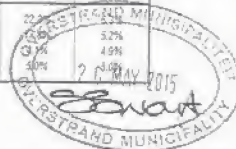
WC032 Overstrand - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>R thousand</b>									
<b>Cash and investments available</b>									
Cash/cash equivalents at the year end	126 689	84 147	63 158	88 050	89 421	89 421	87 547	127 071	171 876
Other current investments > 90 days	0	—	0	—	—	—	0	(9)	0
Non current assets - investments	5 691	11 597	16 965	22 207	22 207	22 207	28 455	34 384	40 409
<b>Cash and investments available:</b>	<b>132 380</b>	<b>95 744</b>	<b>80 123</b>	<b>110 257</b>	<b>111 628</b>	<b>111 628</b>	<b>126 001</b>	<b>161 455</b>	<b>212 284</b>
<b>Application of cash and investments</b>									
Unspent conditional transfers	4 565	7 763	3 425	—	—	—	—	—	—
Unspent borrowing	18 255	6 133	1 847	—	—	—	—	—	—
Solatory requirements	—	—	—	—	—	—	—	—	—
Other working capital requirements	(26 049)	(21 016)	(40 826)	(40 803)	(57 301)	(57 301)	(22 898)	(23 728)	(13 035)
Other provisions	—	—	—	—	—	—	—	—	—
Long term investments committed	5 691	11 597	16 965	22 207	22 207	22 207	28 455	34 384	40 409
Reserves to be backed by cash/investments	1 920	1 881	2 565	1 934	2 573	2 573	2 637	2 703	2 757
<b>Total Application of cash and investments:</b>	<b>2 373</b>	<b>6 388</b>	<b>(16 024)</b>	<b>(16 663)</b>	<b>(32 522)</b>	<b>(32 522)</b>	<b>8 224</b>	<b>13 360</b>	<b>30 132</b>
<b>Surplus(shortfall)</b>	<b>129 997</b>	<b>89 356</b>	<b>96 147</b>	<b>126 594</b>	<b>144 149</b>	<b>144 149</b>	<b>117 777</b>	<b>148 095</b>	<b>182 152</b>



WC032 Overstrand - Table A9 Asset Management

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>R thousand</b>									
<b>CAPITAL EXPENDITURE</b>									
<b>Total New Assets</b>	183 273	139 417	83 899	69 531	89 946	89 946	83 156	73 466	97 041
Infrastructure - Road transport	12 754	15 478	9 203	800	1 332	1 332	14 979	5 000	5 000
Infrastructure - Electricity	30 091	22 203	24 180	13 900	13 900	13 900	21 726	4 500	14 500
Infrastructure - Water	57 384	48 434	7 300	-	580	580	4 137	4 726	11 787
Infrastructure - Sanitation	32 650	16 470	9 449	5 500	3 392	3 392	3 420	6 100	10 900
Infrastructure - Other	198	3 359	1 400	10 200	9 300	9 300	10	-	-
Infrastructure - Community	733 045	106 252	50 511	34 500	34 093	34 093	44 873	24 326	47 887
Heritage assets	6 183	20 897	13 896	18 266	38 167	38 167	35 611	45 550	55 174
Investment properties	-	-	-	-	-	-	-	-	-
Other assets	23 118	9 036	18 897	15 615	17 776	17 776	2 673	3 730	-
Agricultural Assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Intangibles	928	1 330	-	-	-	-	-	-	-
<b>Total Renewal of Existing Assets</b>	-	4 147	47 922	28 139	32 838	32 838	20 758	21 000	5 500
Infrastructure - Road transport	-	131	6 492	5 600	6 300	6 300	-	-	-
Infrastructure - Electricity	-	-	12 966	3 100	3 100	3 100	-	5 500	1 500
Infrastructure - Water	-	-	18 331	12 600	15 805	15 805	11 653	10 000	4 000
Infrastructure - Sanitation	-	-	1 711	3 800	3 179	3 179	4 947	5 500	1 000
Infrastructure - Other	-	-	1 641	-	-	-	-	-	-
Infrastructure - Community	-	137	39 529	25 700	28 384	28 384	16 600	21 000	6 500
Heritage assets	-	756	5 886	2 939	4 454	4 454	4 158	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Other assets	-	3 260	1 817	-	-	-	-	-	-
Agricultural Assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Intangibles	-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure</b>	12 754	15 709	16 054	6 200	7 632	7 632	14 979	5 000	5 000
Infrastructure - Road transport	30 091	22 203	37 115	17 000	17 000	17 000	21 726	14 000	16 000
Infrastructure - Electricity	57 384	48 434	23 631	17 800	16 384	16 384	16 390	14 726	15 787
Infrastructure - Water	32 650	16 470	10 199	13 500	12 071	12 071	8 397	11 600	11 500
Infrastructure - Sanitation	198	3 359	3 041	10 200	9 300	9 300	10	-	-
Infrastructure - Other	733 045	106 383	90 040	39 700	62 387	62 387	81 473	45 326	49 387
Infrastructure - Community	6 183	21 752	19 582	21 205	42 622	42 622	39 798	45 550	55 174
Heritage assets	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Other assets	23 118	12 298	20 513	18 816	17 776	17 776	2 673	3 730	-
Agricultural Assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Intangibles	928	1 330	-	-	-	-	-	-	-
<b>TOTAL CAPITAL EXPENDITURE - Asset class</b>	183 273	143 764	130 930	87 721	122 785	122 785	103 914	94 006	103 501
<b>ASSET REGISTER SUMMARY - PPE (WDV)</b>									
Infrastructure - Road transport	946 051	947 147	942 069	905 551	907 362	907 362	925 842	915 933	909 563
Infrastructure - Electricity	600 736	609 815	618 999	620 545	621 764	621 764	620 094	612 727	606 577
Infrastructure - Water	419 500	458 640	459 954	453 857	459 278	459 278	453 842	450 364	448 538
Infrastructure - Sanitation	379 633	381 194	377 248	376 342	373 394	373 394	362 220	367 578	365 126
Infrastructure - Other	37 091	39 069	39 501	70 579	75 287	75 287	59 232	54 202	49 889
Infrastructure - Community	2 383 009	2 435 859	2 438 970	2 427 874	2 438 064	2 438 064	2 441 031	2 421 303	2 408 273
Heritage assets	31 364	58 783	62 814	88 237	105 034	105 034	63 854	68 637	69 191
Investment properties	108 552	99 573	99 572	99 322	99 322	99 322	99 572	99 572	99 472
Other assets	104 673	175 866	164 501	175 866	164 501	164 501	164 501	164 501	164 501
Agricultural Assets	500 097	502 906	509 700	456 970	497 371	497 371	517 850	512 165	501 944
Biological assets	-	-	-	-	-	-	-	-	-
Intangibles	3 547	4 445	5 220	5 426	5 220	5 220	5 368	4 401	3 433
<b>TOTAL ASSET REGISTER SUMMARY - PPE (WDV)</b>	3 181 234	3 277 435	3 280 777	3 254 715	3 310 512	3 310 512	3 292 018	3 288 579	3 247 014
<b>EXPENDITURE OTHER ITEMS</b>									
<b>Depreciation &amp; asset impairment</b>	104 041	104 408	96 361	109 265	105 461	105 461	111 362	116 043	125 178
<b>Repairs and Maintenance by Asset Class</b>	84 846	114 414	150 358	182 388	163 071	163 071	121 077	126 814	150 754
Infrastructure - Road transport	25 943	42 236	63 149	68 540	66 540	66 540	57 090	60 642	64 540
Infrastructure - Electricity	4 631	14 101	20 488	25 481	25 481	25 481	16 835	17 340	21 891
Infrastructure - Water	6 882	21 502	27 831	26 775	25 775	25 775	22 874	24 001	24 393
Infrastructure - Sanitation	4 988	7 708	15 486	14 146	14 146	14 146	12 159	12 963	16 367
Infrastructure - Other	1 216	1 499	1 481	1 800	1 900	1 900	2 492	2 718	4 130
Infrastructure - Community	43 120	87 048	129 145	136 732	136 732	136 732	111 495	117 665	133 327
Heritage assets	6 012	5 408	7 349	9 298	9 298	9 298	4 546	4 391	8 211
Investment properties	270	-	-	-	-	-	-	-	-
Other assets	15 443	21 858	13 864	16 218	17 021	17 021	9 081	4 959	5 203
<b>TOTAL EXPENDITURE OTHER ITEMS</b>	158 886	218 821	249 719	271 533	266 532	266 532	232 439	244 957	275 880
<b>Renewal of Existing Assets as % of total capex</b>	0.0%	2.9%	35.3%	28.3%	28.7%	28.7%	26.0%	22.2%	22.2%
<b>Renewal of Existing Assets as % of deprecn*</b>	0.0%	4.0%	47.3%	23.8%	21.1%	21.1%	18.8%	18.8%	18.8%
<b>R&amp;M as a % of PPE</b>	2.1%	3.7%	4.8%	5.3%	5.2%	5.2%	3.9%	4.9%	4.9%
<b>Renewal and R&amp;M as a % of PPE</b>	2.0%	6.0%	8.0%	6.0%	6.3%	6.3%	4.0%	5.0%	5.0%



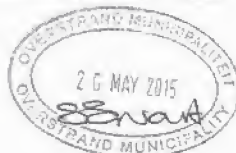
WC032 Overstrand - Table A10 Basic service delivery measurement

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>Household service targets</b>									
<b>Water:</b>									
Piped water inside dwelling	27 203	27 295	32 032	28 100	28 100	28 100	29 296	30 400	31 370
Piped water inside yard (but not in dwelling)	-	-	-	-	-	-	-	-	-
Using public tap (at least min. service level)	3 449	3 436	3 334	3 350	3 380	3 350	3 188	3 138	3 068
Other water supply (at least min. service level)	199	199	195	-	-	-	-	-	-
Minimum Service Level and Above sub-total	30 851	30 930	35 521	31 450	31 450	31 450	32 483	33 538	34 438
Using public tap (< min. service level)	-	-	-	-	-	-	-	-	-
Other water supply (< min. service level)	-	-	-	-	-	-	-	-	-
No water supply	-	-	-	-	-	-	-	-	-
Below Minimum Service Level sub-total	-	-	-	-	-	-	-	-	-
Total number of households	30 851	30 930	35 521	31 450	31 450	31 450	32 483	33 538	34 438
<b>Sanitation/sewerage:</b>									
Flush toilet (connected to sewerage)	21 205	21 284	21 632	20 030	20 030	20 030	20 818	21 413	21 973
Flush toilet (with septic tank)	9 646	9 646	9 799	11 420	11 420	11 420	11 865	12 410	12 730
Chemical toilet	-	-	-	-	-	-	-	-	-
Pit toilet (ventilated)	-	-	-	-	-	-	-	-	-
Other toilet provisions (> min. service level)	-	-	-	-	-	-	-	-	-
Minimum Service Level and Above sub-total	30 851	30 930	31 431	31 450	31 450	31 450	32 683	33 823	34 703
Bucket toilet	-	-	-	-	-	-	-	-	-
Other toilet provisions (< min. service level)	-	-	-	-	-	-	-	-	-
No toilet provisions	-	-	-	-	-	-	-	-	-
Below Minimum Service Level sub-total	-	-	-	-	-	-	-	-	-
Total number of households	30 851	30 930	31 431	31 450	31 450	31 450	32 683	33 823	34 703
<b>Energy:</b>									
Electricity (at least min. service level)	8 420	7 918	7 136	8 700	8 625	8 625	8 114	5 603	5 092
Electricity - prepaid (min. service level)	13 478	14 080	16 458	17 700	18 379	18 379	19 240	20 132	21 024
Minimum Service Level and Above sub-total	21 898	21 998	23 594	26 400	25 004	25 004	25 354	25 735	26 116
Electricity (< min. service level)	-	-	-	-	-	-	-	-	-
Electricity - prepaid (< min. service level)	-	-	-	1 000	1 000	1 000	-	-	-
Other energy sources	-	-	-	-	-	-	-	-	-
Below Minimum Service Level sub-total	-	-	-	1 000	1 000	1 000	-	-	-
Total number of households	21 898	21 998	23 594	27 400	26 004	26 004	25 354	25 735	26 116
<b>Refuse:</b>									
Removed at least once a week	31 373	31 738	31 629	32 691	32 691	32 691	33 094	34 085	35 105
Minimum Service Level and Above sub-total	31 373	31 738	31 629	32 691	32 691	32 691	33 094	34 085	35 105
Removed less frequently than once a week	-	-	-	-	-	-	-	-	-
Using communal refuse dump	-	-	-	-	-	-	-	-	-
Using own refuse dump	-	-	-	-	-	-	-	-	-
Other rubbish disposal	-	-	-	-	-	-	-	-	-
No rubbish disposal	-	-	-	-	-	-	-	-	-
Below Minimum Service Level sub-total	-	-	-	-	-	-	-	-	-
Total number of households	31 373	31 738	31 629	32 691	32 691	32 691	33 094	34 085	35 105
<b>Households receiving Free Basic Service:</b>									
Water (6 kilolitres per household per month)	25 310	25 406	8 543	6 700	6 700	6 700	6 650	6 650	6 650
Sanitation (free minimum level service)	5 852	6 423	6 543	6 700	6 700	6 700	6 650	6 650	6 650
Electricity/other energy (50kwh per household per month)	5 852	6 423	6 543	4 785	4 785	4 785	6 650	6 650	6 650
Refuse (removed at least once a week)	5 852	6 423	6 543	6 700	6 700	6 700	6 650	6 650	6 650
<b>Cost of Free Basic Services provided (R'000):</b>									
Water (6 kilolitres per household per month)	5 475	6 020	6 502	7 723	7 723	7 723	9 231	9 928	10 672
Sanitation (free sanitation service)	5 048	5 249	5 670	6 010	6 010	6 010	6 370	6 753	7 158
Electricity/other energy (50kwh per household per month)	11 682	13 482	14 862	18 809	18 809	18 809	21 104	23 214	25 536
Refuse (removed once a week)	5 903	7 198	7 775	9 174	9 174	9 174	11 591	12 465	13 401
Total cost of FBS provided (minimum social package)	28 088	32 049	34 909	41 716	41 716	41 716	48 296	52 358	56 767
<b>Highest level of free service provided:</b>									
Property rates (R value threshold)	50 000	100 000	100 000	100 000	100 000	100 000	220 000	220 000	220 000
Water (kilolitres per household per month)	8	8	6	6	6	6	6	6	6
Sanitation (kilolitres per household per month)	4	4	4	4	4	4	4	4	4
Sanitation (R value per household per month)	51	54	56	61	61	61	65	69	73
Electricity (kwh per household per month)	50	50	50	50	50	50	50	50	50
Refuse (average litres per week)	210	210	210	210	210	210	210	210	210
<b>Revenue cost of free services provided (R'000):</b>									
Property rates (R15 000 threshold rebate)	1 712	1 824	1 537	1 965	1 965	1 965	1 872	1 984	2 103
Property rates (other exemptions, reductions and rebates)	27 513	30 454	29 590	26 522	26 522	26 522	35 960	38 118	40 405
Water	13 295	15 549	9 010	9 791	9 791	9 791	10 775	11 588	12 458
Sanitation	4 094	4 713	5 182	6 420	6 420	6 420	8 805	7 214	7 648
Electricity/other energy	13 860	15 256	18 366	20 010	20 010	20 010	22 071	24 630	27 480
Refuse	6 871	9 934	10 992	10 545	10 545	10 545	11 428	13 210	13 210
Municipal Housing - rental rebates	15 178	-	-	-	-	-	-	-	-
Housing - top structure subsidies	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total revenue cost of free services provided (total social package)	82 541	77 796	74 679	75 253	75 253	75 253	88 900	95 619	103 302



WC032 Overstrand - Supporting Table SA1 Supporting detail to 'Budgeted Financial Performance'

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>R thousand</b>									
<b>REVENUE ITEMS:</b>									
<b>Property rates</b>									
Total Property Rates	138 437	153 077	166 839	184 330	189 199	189 199	200 857	213 090	225 085
less Revenue Foregone	29 525	32 278	31 127	35 650	35 690	35 690	38 128	36 732	41 512
Net Property Rates	108 913	120 799	134 513	148 680	153 509	153 509	162 730	176 358	184 573
<b>Service charges - electricity revenue</b>									
Total Service charges - electricity revenue	224 950	247 563	258 362	323 104	323 104	323 104	341 092	373 983	410 237
less Revenue Foregone	-	-	-	13 018	13 018	13 018	2 215	2 349	2 489
Net Service charges - electricity revenue	224 950	247 563	258 362	310 085	310 085	310 085	338 877	371 635	407 747
<b>Service charges - water revenue</b>									
Total Service charges - water revenue	83 755	85 243	95 136	101 149	101 149	101 149	103 365	109 152	115 288
less Revenue Foregone	-	-	-	5 252	5 252	5 252	1 320	1 452	1 597
Net Service charges - water revenue	83 755	85 243	95 136	95 897	95 897	95 897	102 045	107 700	113 691
<b>Service charges - sanitation revenue</b>									
Total Service charges - sanitation revenue	57 212	56 895	62 798	63 455	63 554	63 554	66 375	70 081	74 010
less Revenue Foregone	-	-	-	-	99	99	-	-	-
Net Service charges - sanitation revenue	57 212	56 895	62 798	63 455	63 455	63 455	66 375	70 081	74 010
<b>Service charges - refuse revenue</b>									
Total refuse removal revenue	38 488	45 837	52 957	56 130	56 549	56 549	59 488	63 061	66 849
Total landfill revenue	-	-	-	-	-	-	-	-	-
less Revenue Foregone	-	-	-	-	419	419	-	-	-
Net Service charges - refuse revenue	38 488	45 837	52 957	56 130	56 130	56 130	59 488	63 061	66 849
<b>Other Revenue by source</b>									
Building plan fees	3 252	2 880	3 428	3 300	3 300	3 300	4 300	4 950	5 445
Collection charges	2 071	2 542	2 288	2 805	2 805	2 805	3 850	4 225	4 689
Developers' contributions	1 719	2 515	2 768	1 995	1 995	1 995	1 451	1 434	1 519
Capital improvement district	3 683	-	-	4 869	-	-	-	-	-
Sundry income	599	2 537	1 330	869	869	869	-	-	-
Town planning fees	758	793	908	803	803	803	1 013	1 114	1 225
Admission fees	661	707	714	770	770	770	562	589	620
Valuation and clearance certificates	335	388	400	504	504	504	485	545	599
Fair value adjustments	-	49 649	(7 021)	-	-	-	-	-	-
Roadworthy certificates	453	463	493	578	578	578	630	693	762
SETA claims	1 346	1 059	133	848	848	848	-	-	-
Exchange Revenue (SCOA) / Other Income	2 819	5 247	5 054	4 577	4 662	4 662	4 142	4 540	4 983
Total 'Other' Revenue	17 375	68 978	10 504	21 717	16 933	16 933	16 943	18 150	19 812
<b>EXPENDITURE ITEMS:</b>									
<b>Employee related costs</b>									
Basic Salaries and Wages	131 998	151 557	168 955	184 410	180 419	180 419	199 943	209 073	221 793
Pension and UIF Contributions	25 219	24 051	25 104	29 321	29 321	29 321	31 736	33 973	35 736
Medical Aid Contributions	7 521	8 175	8 928	11 463	11 463	11 463	11 818	12 327	13 079
Overtime	12 030	12 428	14 370	13 913	13 913	13 913	15 265	16 228	16 938
Performance Bonus	-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance	3 285	9 178	9 750	11 760	11 760	11 760	12 154	11 881	12 028
Cellphone Allowance	-	-	-	1 638	1 638	1 638	1 502	1 597	1 606
Housing Allowances	1 025	1 046	967	1 018	1 018	1 018	153	153	153
Other benefits and allowances	9 893	11 182	11 624	11 118	11 118	11 118	10 379	10 703	11 234
Payments in lieu of leave	1 327	2 138	1 859	2 350	2 350	2 350	729	773	819
Long service awards	759	690	3 587	1 200	1 291	1 291	1 802	2 028	2 815
Post-retirement benefit obligations	10 268	10 795	17 799	11 875	11 925	11 925	6 578	6 973	7 391
sub-total	207 938	231 642	260 645	280 066	276 217	276 217	291 593	305 408	323 583
Less: Employees costs capitalised to PPE	-	-	-	-	-	-	-	-	-
Total Employee related costs	207 938	231 642	260 645	280 066	276 217	276 217	291 593	305 408	323 583
<b>Contributions recognised - capital</b>									
Public contribution - non cash - assets	4 471	4 367	7 871	-	-	-	-	-	-
DWA ACIP project	1 302	-	-	1 000	1 000	1 000	-	-	-
Government contribution - non cash - assets	-	180	-	-	-	-	-	-	-
KM CSIR	365	-	-	-	-	-	-	-	-
Spaces for Upozloho	156	200	-	51	1 134	1 134	1 000	-	-
Eskom Solar Refuse/ Story Point Eco Centre etc	2 280	522	-	1 063	(83)	(83)	-	-	-
Total Contributions recognised - capital	8 563	5 269	7 871	2 114	2 051	2 051	1 000	-	-





<b>Depreciation &amp; asset impairment</b>									
Depreciation of Property, Plant & Equipment	100 930	54 648	99 130	109 255	105 461	105 461	111 362	118 043	125 126
Lease amortisation		235	231						
Capital asset impairment	3 111	9 224							
Depreciation resulting from revaluation of PPE									
<b>Total Depreciation &amp; asset impairment</b>	<b>104 041</b>	<b>104 408</b>	<b>99 361</b>	<b>109 255</b>	<b>105 461</b>	<b>105 461</b>	<b>111 362</b>	<b>118 043</b>	<b>125 126</b>
<b>Bulk purchases</b>									
Electricity Bulk Purchases	126 669	145 022	157 055	169 444	169 444	169 444	193 573	221 138	252 628
Water Bulk Purchases									
<b>Total bulk purchases</b>	<b>126 669</b>	<b>145 022</b>	<b>157 055</b>	<b>169 444</b>	<b>169 444</b>	<b>169 444</b>	<b>193 573</b>	<b>221 138</b>	<b>252 628</b>
<b>Transfers and grants</b>									
Cash transfers and grants	28 454	35 856	38 749	41 370	41 668	41 668	46 497	54 667	62 244
Non-cash transfers and grants									
<b>Total transfers and grants</b>	<b>28 454</b>	<b>35 856</b>	<b>38 749</b>	<b>41 370</b>	<b>41 668</b>	<b>41 668</b>	<b>46 497</b>	<b>54 667</b>	<b>62 244</b>
<b>Contracted services</b>									
Specialist services									
Other contractors									
Ward projects	5 247	5 679	2 129	1 566	1 566	1 566			
Vehicle maintenance	4 732	4 925	5 065	6 198	6 676	6 676			
Maintenance contractors	41	45 380	49 471	55 483	55 451	55 451			
Contracted services	14 059	11 713	15 488	17 816	18 773	18 773			
Maintenance Of Unspecified Assets							25 439	26 465	28 088
Maintenance Of Buildings & Facilities							15 463	16 288	17 241
Haulage							7 698	8 004	8 331
Civil							6 828	7 156	7 588
Litter Picking & Street Cleaning							6 430	6 635	7 281
Security Servs							5 219	5 905	6 260
Safeguard & Security							5 028	5 305	5 588
Business & Advisory - Valuer							4 488	1 541	1 279
Meter Management							4 367	4 588	4 854
Maintenance Of Equip							4 177	3 537	3 757
Business & Advisory - Project Management							4 017	4 115	4 417
Traffic Fines Management							3 966	4 208	4 458
Dumping Sites							3 423	3 763	4 127
Infrastructure & Planning - Ecological							2 640	2 796	2 964
Legal Cost - Legal Advice & Litigation							2 597	2 752	2 916
Chipping							2 450	2 839	2 796
Management Of Informal Settlements							1 981	2 100	2 226
Laboratory Servs - Water							1 802	1 910	2 025
Sewerage Servs							1 772	1 878	1 991
Infrastructure & Planning - Town Planner							1 700	1 802	1 910
Electrical							1 060	1 036	1 013
Other contractors							12 734	13 502	14 322
<b>Allocations to organs of state:</b>	<b>sub-total</b>	<b>24 079</b>	<b>67 697</b>	<b>72 754</b>	<b>81 062</b>	<b>82 467</b>	<b>82 467</b>	<b>125 322</b>	<b>128 122</b>
Electricity									
Water									
Sanitation									
Other									
<b>Total contracted services</b>	<b>24 079</b>	<b>67 697</b>	<b>72 754</b>	<b>81 062</b>	<b>82 467</b>	<b>82 467</b>	<b>125 322</b>	<b>128 122</b>	<b>135 442</b>



Other Expenditure By Type									
Collection costs									
Contributions to 'other' provisions	3 601	3 248	(12 399)	3 010	45 216	49 216			
Consultant fees	10 766	9 375	9 431	12 858	12 858	12 858			
Audit fees (External)	2 601	2 569	3 559	4 104	4 104	4 104	4 514	4 786	5 073
General expenses	22 505	16 384	19 900	13 244	14 679	14 679	5 302	5 910	6 450
Conditional/contingent expenses	54 412	4 133	28 072	3 382	5 189	5 189			
Property valuation charges	2 418	1 030	442	1 100	1 000	1 000			
Water catchment, research and testing	5 648	5 295	4 266	4 260	4 260	4 260			
Fuel and oil	9 042	9 903	11 477	12 506	12 514	12 514			
Chemicals	6 411	8 488	10 563	9 664	9 549	9 549			
Legal fees	2 766	1 683	3 017	1 700	1 940	1 940			
Telephone and fax	3 912	2 334	2 639	3 342	3 142	3 142	3 048	3 221	3 431
Tourism development	2 624	2 732	2 796	2 619	1 649	1 649			
Security services	3 435	3 759	4 292	4 325	4 495	4 495			
Solid waste dumping fees	1 375	-	-						
Solid waste haulage	4 345	6 318	7 742	8 217	8 135	8 135			
Hermanus public protection	3 603	3 821	4 251	5 029	5 029	5 029			
Training	2 744	2 363	1 804	2 300	2 299	2 299	2 000	2 120	2 247
Prepaid Electricity	2 575	3 248	3 552	4 372	4 494	4 494	3 804	4 032	4 274
Commission paid	3 416	4 014	1 019	1 145	1 145	1 145	1 213	1 285	1 363
Advertising	1 365	1 511	1 905	1 523	1 668	1 668			
Management of informal settlements	1 475	1 512	1 982	1 869	1 869	1 869	1 981	2 100	2 229
Insurance	1 651	2 145	2 383	2 750	2 500	2 500	2 350	2 696	2 798
Printing and stationery	1 868	1 875	2 036	2 309	2 309	2 309			
Solid waste chipping	2 309	2 151	2 076	2 809	2 583	2 583			
Special projects	1 059	1 270	714	868	868	868			
Workmen's Compensation Assurance				1 650	1 650	1 650	1 750	1 902	1 910
SALGA Membership Fees				2 505	2 505	2 505			
Rentals (Equipment & Offices)				1 731	1 426	1 426			
Postage & Courier Services				1 818	1 788	1 788	1 571	1 680	2 181
Decommissioning Cost							4 619	4 896	5 190
Op Cat - Prof Bodies Memb & Subs							3 365	3 415	3 517
Specialised Computer Service							2 452	2 911	2 981
Op Cat - Uniform & Protective Clothing							2 305	2 433	2 577
Operational Cost - Skills Dev Fund Lev							2 082	2 231	2 367
Infrastructure & Planning - Town Plan							1 700	1 747	1 852
Software Licences							2 051	2 184	2 325
Dumping Fees (District Council)							1 724	1 831	1 942
Bank Chgs Fac & Card Fees - Bank Account							1 539	1 738	1 842
Op Cat - Printing & Publications							1 471	1 543	1 636
Third Party Vendors							1 210	1 286	1 363
Operating Lease							1 170	1 245	1 325
Wireless Network							937	998	1 063
Corporate Municipal Activities							721	767	807
Op Cat - Remuneration To Ward Commis							689	689	686
System Advisor							634	685	740
Tenders							612	648	687
Op Cat - Levies Paid - H2O Res Man Chrg							560	575	594
Municipal Newsletters							454	483	515
<b>Total Other Expenditure</b>	<b>158 230</b>	<b>102 146</b>	<b>117 460</b>	<b>117 407</b>	<b>164 963</b>	<b>164 963</b>	<b>38 921</b>	<b>61 721</b>	<b>65 866</b>
By Expenditure Item									
Employee related costs	15 563	27 480	35 905	40 285	40 285	40 285	45 175	47 787	50 645
Other materials	5 168	9 153	8 865	8 807	8 807	8 807	14 541	15 638	16 361
Contracted Services	12 320	21 740	32 675	34 161	34 964	34 964	35 194	37 739	39 885
Other Expenditure	31 774	56 061	72 912	79 016	79 016	79 016	25 187	25 650	41 884
<b>Total Repairs and Maintenance Expenditure</b>	<b>64 845</b>	<b>114 414</b>	<b>150 358</b>	<b>162 269</b>	<b>163 071</b>	<b>163 071</b>	<b>121 097</b>	<b>126 814</b>	<b>150 754</b>



WC032 Overstrand - Supporting Table SA2 Matrix Financial Performance Budget (revenue source/expenditure type and dept.)

Description	Vote 1 - Council	Vote 2 - Municipal Manager	Vote 3 - Management Services	Vote 4 - Finance	Vote 5 - Community Services	Vote 6 - Local Economic Development	Vote 7 - Infrastructure & Planning	Vote 8 - Protection Services	Total
R thousand									
<b>Revenue By Source</b>									
Property rates	-	-	-	162 730	-	-	-	-	162 730
Property rates - penalties & collection charges	-	-	-	891	-	-	-	-	891
Service charges - electricity revenue	-	-	-	616	-	-	338 261	-	338 877
Service charges - water revenue	-	-	-	-	102 045	-	-	-	102 045
Service charges - sanitation revenue	-	-	-	-	66 375	-	-	-	66 375
Service charges - refuse revenue	-	-	-	-	59 488	-	-	-	59 488
Service charges - other	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment	-	-	-	-	11 815	-	43	-	11 859
Interest earned - external investments	-	-	-	6 348	-	-	-	-	6 348
Interest earned - outstanding debtors	-	-	-	2 437	-	-	-	-	2 437
Dividends received	-	-	-	-	-	-	-	-	-
Fines	-	-	-	-	67	-	-	31 792	31 859
Licences and permits	-	-	-	-	484	-	-	1 706	2 190
Agency services	-	-	-	-	-	-	-	2 970	2 970
Other revenue	210	-	61	5 868	1 749	1 430	8 117	1 208	16 643
Transfers recognised - operational	64 538	-	-	1 450	5 474	1 561	17 141	-	96 124
Gains on disposal of PPE	-	-	-	-	-	-	-	-	-
<b>Total Revenue (excluding capital transfers and contri</b>	<b>84 898</b>	<b>-</b>	<b>61</b>	<b>180 339</b>	<b>247 498</b>	<b>3 091</b>	<b>381 563</b>	<b>37 678</b>	<b>895 038</b>
<b>Expenditure By Type</b>									
Employee related costs	8 330	4 026	19 897	37 335	141 871	4 813	44 590	30 731	291 593
Remuneration of councillors	8 674	-	-	-	-	-	-	-	8 674
Debt impairment	-	-	-	-	-	-	-	22 792	22 792
Depreciation & asset impairment	22	18	2 267	298	79 250	125	28 206	1 175	111 362
Finance charges	-	-	54	119	30 030	-	16 692	-	46 895
Bulk purchases	-	-	-	-	-	-	193 573	-	193 573
Other materials	20	34	309	377	24 070	128	30 586	2 258	57 801
Contracted services	-	-	7 403	2 405	57 475	423	47 038	10 573	125 322
Transfers and grants	46 570	-	278	-	-	1 649	-	-	48 497
Other expenditure	7 671	411	1 380	29 197	8 920	3 241	5 318	1 884	58 021
Loss on disposal of PPE	-	-	-	-	-	-	-	-	-
<b>Total Expenditure</b>	<b>71 287</b>	<b>4 489</b>	<b>31 568</b>	<b>69 733</b>	<b>341 618</b>	<b>10 379</b>	<b>365 982</b>	<b>89 453</b>	<b>964 529</b>
<b>Surplus/(Deficit)</b>	<b>(6 479)</b>	<b>(4 489)</b>	<b>(31 527)</b>	<b>110 606</b>	<b>(94 120)</b>	<b>(7 288)</b>	<b>(4 420)</b>	<b>(31 777)</b>	<b>(69 494)</b>
Transfers recognised - capital	-	-	930	-	24 451	-	37 973	-	63 354
Contributions recognised - capital	-	-	-	-	1 000	-	-	-	1 000
Contributed assets	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>(6 479)</b>	<b>(4 489)</b>	<b>(30 597)</b>	<b>110 606</b>	<b>(68 669)</b>	<b>(7 288)</b>	<b>33 553</b>	<b>(31 777)</b>	<b>(5 140)</b>



WC032 Overstrand - Supporting Table SA3 Supporting detail to 'Budgeted Financial Position'

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand									
<b>ASSETS</b>									
<u>Call investment deposits</u>									
Call deposits < 90 days	75 000	55 042	50 039						
Other current investments > 90 days									
<b>Total Call investment deposits</b>	<b>75 000</b>	<b>55 042</b>	<b>50 039</b>						
<u>Consumer debtors</u>									
Consumer debtors	68 475	65 941	63 910	69 091	65 091	68 091	67 774	71 841	76 151
Less: Provision for debt impairment	(18 114)	(16 316)	(16 358)	(16 500)	(16 500)	(16 500)	(16 000)	(15 500)	(15 000)
<b>Total Consumer debtors</b>	<b>50 361</b>	<b>49 625</b>	<b>47 552</b>	<b>52 591</b>	<b>48 591</b>	<b>51 591</b>	<b>51 774</b>	<b>56 341</b>	<b>61 151</b>
<u>Debt impairment provision</u>									
Balance at the beginning of the year	20 232	18 114	16 916	17 000	17 000	17 000	15 500	16 000	15 500
Contributions to the provision	(150)	534	(107)						
Bad debts written off	(1 928)	(1 792)	(449)	(500)	(500)	(500)	(500)	(500)	(500)
<b>Balance at end of year</b>	<b>18 114</b>	<b>16 916</b>	<b>16 358</b>	<b>16 500</b>	<b>16 500</b>	<b>16 500</b>	<b>15 000</b>	<b>15 500</b>	<b>15 000</b>
<u>Property, plant and equipment (PPE)</u>									
PPE at cost/valuation (excl. finance leases)	8 709 629	5 819 933	5 900 309	8 061 941	6 126 505	6 126 505	8 120 357	6 215 263	6 318 825
Leases recognised as PPE	1 208	1 379	136	1 406	1 406	1 406	5 923	6 923	6 923
Less: Accumulated depreciation	2 637 823	2 724 192	2 789 382	2 990 924	2 987 120	2 987 120	3 065 433	3 122 508	3 246 667
<b>Total Property, plant and equipment (PPE)</b>	<b>3 073 014</b>	<b>3 097 120</b>	<b>3 111 063</b>	<b>3 072 423</b>	<b>3 140 791</b>	<b>3 140 791</b>	<b>3 122 147</b>	<b>3 099 677</b>	<b>3 079 080</b>
<b>LIABILITIES</b>									
<u>Current liabilities - Borrowing</u>									
Short term loans (other than bank overdraft)	374	485	63	1 176	1 135	1 135	1 271	1 352	1 538
Current portion of long-term liabilities	16 424	17 755	20 381	23 928	23 929	23 928	26 941	29 373	32 831
<b>Total Current liabilities - Borrowing</b>	<b>16 798</b>	<b>18 241</b>	<b>20 443</b>	<b>25 105</b>	<b>25 064</b>	<b>25 064</b>	<b>28 113</b>	<b>30 726</b>	<b>34 370</b>
<u>Trade and other payables</u>									
Trade and other creditors	63 172	71 706	61 518	55 831	50 563	50 563	74 229	70 679	84 789
Unspent conditional transfers	4 555	7 793	3 425	-	-	-	-	-	-
VAT									
<b>Total Trade and other payables</b>	<b>67 727</b>	<b>79 499</b>	<b>64 943</b>	<b>55 831</b>	<b>50 563</b>	<b>50 563</b>	<b>74 229</b>	<b>70 679</b>	<b>84 789</b>
<u>Non-current liabilities - Borrowing</u>									
Borrowing	340 581	364 394	392 444	407 225	407 225	407 225	411 587	412 288	409 060
Finance leases (including PPP asset element)	623	238	-	4 541	5 604	5 604	4 333	2 981	1 443
<b>Total Non-current liabilities - Borrowing</b>	<b>341 204</b>	<b>364 632</b>	<b>392 444</b>	<b>411 766</b>	<b>412 829</b>	<b>412 829</b>	<b>415 920</b>	<b>415 269</b>	<b>410 503</b>
<u>Provisions - non-current</u>									
Retirement benefits	71 562	79 887	95 535	92 875	107 290	107 290	113 727	120 551	127 784
List other major provision items									
Refuse/landfill site rehabilitation	32 057	31 933	24 064	36 617	64 550	64 550	78 422	82 528	86 880
Other	7 478	7 498	8 938	9 008	9 040	9 040	9 520	10 028	10 568
<b>Total Provisions - non-current</b>	<b>111 097</b>	<b>119 318</b>	<b>128 537</b>	<b>137 501</b>	<b>180 879</b>	<b>180 879</b>	<b>201 669</b>	<b>213 107</b>	<b>225 231</b>
<b>CHANGES IN NET ASSETS</b>									
<u>Accumulated Surplus/Deficit</u>									
Accumulated Surplus/Deficit - opening balance	2 564 679	2 847 332	2 855 854	2 857 322	2 857 322	2 857 322	2 738 917	2 733 677	2 730 282
GRAP adjustments	384 261	(9 929)	(6 220)						
Restated balance	2 928 940	2 837 403	2 849 634	2 857 322	2 857 322	2 857 322	2 738 917	2 733 677	2 730 282
Surplus/Deficit	(61 907)	10 899	(45 015)	(48 747)	(65 423)	(65 423)	(5 140)	(3 395)	3 679
Appropriations to Reserves									
Transfers from Reserves		1 333	620						
Depreciation offsets									
Other adjustments									
<b>Accumulated Surplus/Deficit</b>	<b>2 847 332</b>	<b>2 849 634</b>	<b>2 805 240</b>	<b>2 808 575</b>	<b>2 791 899</b>	<b>2 791 899</b>	<b>2 733 677</b>	<b>2 730 282</b>	<b>2 733 960</b>
<u>Reserves</u>									
Housing Development Fund	1 923	1 891	2 585	1 934	2 573	2 573	2 937	2 703	2 757
Capital replacement									
Self-insurance									
Other reserves									
Revaluation									
<b>Total Reserves</b>	<b>1 923</b>	<b>1 891</b>	<b>2 585</b>	<b>1 934</b>	<b>2 573</b>	<b>2 573</b>	<b>2 937</b>	<b>2 703</b>	<b>2 757</b>
<b>TOTAL COMMUNITY WEALTH/EQUITY</b>	<b>2 849 255</b>	<b>2 851 525</b>	<b>2 907 805</b>	<b>2 810 509</b>	<b>2 794 472</b>	<b>2 794 472</b>	<b>2 736 314</b>	<b>2 732 985</b>	<b>2 736 717</b>





WC032 Overstrand - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

2015/16 Medium Term Revenue & Expenditure Framework											
Strategic Objective	Goal	Goal Code	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand											
The provision of democratic, accountable and ethical governance	Good Governance	1	187 929	232 385	199 504	163 397	232 411	232 413	255 094	272 254	292 533
The provision and maintenance of municipal services	Basic Service Delivery	2	456 833	481 155	485 124	559 189	540 568	540 588	601 451	638 786	690 467
The encouragement of structured community participation in the matters of the municipality	Good Governance	3	19 203	41 457	82 333	33 338	44 557	44 557			
The creation and maintenance of a safe and healthy environment	Safe and Healthy Environment	4	10 348	20 208	29 520	13 280	36 179	36 170	37 777	38 275	40 923
The promotion of tourism, economic and social development	Economic Development and Social upliftment	5	6 809	7 765	11 427	11 658	14 191	14 191	94 167	85 773	78 067
Allocations to other priorities											
Total Revenue (excluding capital transfers and contributions)			660 915	762 969	787 007	820 642	867 900	867 900	958 388	1 034 098	1 101 371





WC032 Overstrand - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)

Strategic Objective	Goal	Goal Code	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand											
The provision of democratic, accountable and ethical governance	Good Governance	1	190 332	205 348	119 312	93 296	124 670	124 970	235 543	248 313	267 048
The provision and maintenance of municipal services	Basic Service Delivery	2	310 958	348 423	448 042	827 818	533 688	533 688	578 367	623 726	677 325
The encouragement of structured community participation in the matters of the municipality	Good Governance	5	188 807	137 754	181 602	43 289	63 263	83 263	1 735		
The creation and maintenance of a safe and healthy environment	Safe and Healthy Environment	6	36 252	48 275	84 028	56 208	79 097	79 097	79 405	79 497	82 921
The promotion of tourism, economic and social development	Economic Development and Social upliftment	8	15 376	14 271	16 637	28 520	102 634	122 634	72 480	85 357	76 997
Allocations to other priorities											
Total Expenditure			742 525	752 078	832 622	859 588	893 322	933 322	964 529	1 027 493	1 098 292



WC032 Overstrand - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)

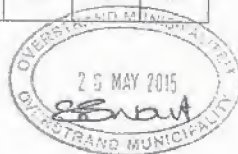
Strategic Objective	Goal	Goal Code	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand											
The provision of democratic, accountable and ethical governance	Good Governance	1	24 047	7 154	21 308	16 815	17 770	17 770	2 545	3 730	-
The provision and maintenance of municipal services	Basic Service Delivery	2	127 589	103 790	73 889	54 300	58 087	58 087	58 033	45 228	48 387
The encouragement of structured community participation in the matters of the municipality	Good Governance	3	9 484	20 219	29 927	23 515	37 425	37 425	3 495	-	-
The creation and maintenance of a safe and healthy environment	Safe and Healthy Environment	4	645	-	-	-	-	-	295	-	-
The promotion of tourism, economic and social development	Economic Development and Social Investment	5	1 531	2 401	5 698	3 090	8 300	8 300	39 473	45 550	55 174
Allocations to other priorities											
Total Capital Expenditure			163 275	143 764	130 930	97 721	117 568	117 568	100 914	94 606	103 561



WC032 Overstrand - Supporting Table SA7 Measureable performance objectives

25 March 2015 (Draft TL SDBIP kpi's for 2015/16)

Description	Unit of measurement	2013/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>Council</b>										
Council and Municipal Manager										
Municipal Manager										
Risk based audit plan approved by the Audit Committee by the end of June 2015	Plan approved	1	1	1	1	1	1	1	1	1
Quarterly report to the Management Executive Mayor, Aldermen and Audit Committee on progress with implementation of key controls as identified in key control deficiencies	Quarterly reports submitted on achievement of committed dates	1	1	1	1	1	1	1	1	1
Submit quarterly progress reports on the revision of the top 10 risks as a corrective action to the Executive Management Team	Number of progress reports submitted	1	1	1	1	1	1	1	1	1
Percentage of a municipality's capital budget actually spent on capital projects identified for a particular financial year in terms of the municipality's CIP (Actual amount spent on projects as identified for the year in the CIP/Total amount spent on capital projects)(x100)	% of capital budget spent	91.60%	88.00%	93.77%	98%	98%	98%	98%	98%	98%
<b>Management Services</b>										
Director: Management Services										
60% of the approved and funded programs met (actual number of points met divided by the funded points budgeted)(x100)	% met	97.23%	92.86%	92.41%	90%	90%	90%	90%	90%	90%
The number of people from employment strategy target groups employed in the three highest levels of management in compliance with a municipality's approved employment equity plan	The number of people from EE target groups employed	4	2	no kpi set	64	64	64	64	64	64
The percentage of a municipality's budget (training budget) actually spent on implementing its workplace skills plan	% of the training budget spent on implementation of the WSP	100%	100%	100%	100%	100%	100%	100%	100%	100%
Review the Municipal Organisational Staff Structure by the end of June	Structure reviewed	no kpi set	no kpi set	0	1	1	1	1	1	1
Revise the Section 14 Access to Information Manual by the end of June to ensure compliant and up to date policies	Policy revised	1	1	1	1	1	1	1	1	1
Provide legal assistance and input on policies, contracts, agreements, legislation, by-laws and authorities within 5 working days	Number of responses to legal assistance provided within 5 working days	no kpi set	no kpi set	no kpi set	no kpi set	no kpi set	no kpi set	120	120	120
Monthly Report on additional court matters	Number of reports on court matters	no kpi set	no kpi set	no kpi set	no kpi set	no kpi set	no kpi set	24	24	24
Establishment of LOAC (Local Drug Action Committee) in terms of the Prevention and Treatment of Substance Abuse Act by August 2015	Established LOAC	no kpi set	no kpi set	no kpi set	no kpi set	no kpi set	no kpi set	1	0	0
<b>Finance</b>										
Director: Finance										
Director: Finance										
Financial liability measured in terms of the available cash to cover fixed operating expenditure (Available cash - investments/ Monthly fixed operating expenditure)	Ratio achieved	5.77%	2.69%	2.30%	1.2	1.2	1.2	1.3	1.3	1.3
Financial liability measured in terms of the municipality's ability to meet its service debt obligations (Total operating revenue-operating grants received/Total service payments due within the year) (%)	Ratio achieved	18.80%	17.46%	15.90%	17	17	17	17	17	17
Financial liability measured in terms of the outstanding service debtors (Total outstanding service debtors/ revenue received for services)	% achieved	11.60%	11.90%	10.40%	12	12	12	12.2	12.2	12.2
Appointment of a service provider to submit a reviewed long term financial plan by the end of June 2016	Reviewed plan approved	no kpi set	no kpi set	no kpi set	1	1	1	1	0	0
Financial statements submitted to the Auditor General by 31 August 2015	Financial statements submitted	1	1	1	1	1	1	1	1	1
Provision of free basic electricity, refuse removal, sanitation and water in terms of the equitable share requirements	Number of households	5477	5523	4538	4580	5580	5580	5550	5550	5550
<b>Revenue</b>										
Achieve a debt recovery rate not less than 35%	% Recovered	no kpi set	100.44%	100.23%	45%	55%	35%	95%	95%	95%



Description	Unit of measurement	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>Community Services</b>										
<b>Director: Community Services</b>										
<b>Director: Community Services</b>										
Ward committees meetings held to facilitate consistent and regular communication with residents	No of ward committee meetings per ward per annum	8	8	9	8	8	8	8	9	9
88% of the operational conditional grant (Libraries, CDW) spent (Actual expenditure divided by the total grant received)	% of total conditional operational grants spent (Libraries, CDW)	100.0%	100.0%	100.45%	98%	98%	98%	98%	98%	98%
m of roads sealed (works ordered) and ressealed according to approved Pavement Management System within available budget	m of roads sealed (works ordered) and ressealed	171344	216162	101560	122000	120900	120000	100000	100000	100000
Quality of effluent comply 90% with SARS 241	% compliance	88.60%	88.02%	92.78%	90%	90%	90%	90%	90%	90%
Quality of effluent comply 90% with SARS 241	% compliance	no kpi set	no kpi set	95.38%	98%	95%	95%	95%	95%	95%
Quality of potable water comply 95% with SARS 241	% of water unaccounted for	27.25%	25.57%	21.5%	25%	21%	20%	25%	25%	25%
Limit unaccounted water to less than 25% (Number of kcloster water purified - Number of kcloster water sold)(Number of kcloster sold x 100)										
Provision of water to informal households with access within a 200 m radius	No of informal households that have access to water within a 200 m radius	3565	no kpi set	no kpi set	3406	3406	3406	3152	3152	3152
Provision of cleaned piped water to all formal households within 200 m from households	No of formal households that meet agreed service standards for piped water	25068	25428	27373	28077	28077	28077	32483	33538	34438
Provision of refuse removal, refuse dumps and solid waste disposal to all formal households (at least once a week)	Number of formal households for which refuse is removed at least once a week	32088	no kpi set	34399	32087	32087	32087	32084	34085	35165
Provision of refuse removal, refuse dumps and solid waste disposal to all informal households (at least once a week)	Number of informal households for which refuse is removed at least once a week	3565	no kpi set	no kpi set	3406	3406	3406	3152	3152	3152
The provision of sanitation services to informal households based on the standard of 1 toilet to 5 households	No of informal households that have access to sanitation based on the standard of 1 toilet to 5 households	3565	no kpi set	no kpi set	3406	3406	3406	3152	3152	3152
Provision of sanitation services to formal residential households	No of formal residential households which are drilled for sewerage in accordance to the SAMRAS financial system	30916	31221	31231	31202	31202	31202	32483	33538	34438
<b>Local Economic Development</b>										
<b>Director: LED</b>										
<b>LED</b>										
Report bi-annually to the Portfolio committee on LED and Tourism initiatives	Quarterly report on marketing tools	no kpi set	no kpi set	no kpi set	4	4	4	2	2	2
Reacts on Grants to festival organisers through Service Level Agreements (SLA) by end August 2015	Number of reports submitted	no kpi set	no kpi set	no kpi set	no kpi set	no kpi set	no kpi set	1	1	1
Develop and implement an SME Development Programme	Number of SME's supported	55	23	45	no kpi set	no kpi set	no kpi set	30	30	30
Financial and non-financial resources mobilised	Number of MOU's entered into and amount generated	no kpi set	no kpi set	no kpi set	2	2	2	3	3	3
Report quarterly to Director LED on linkages established with other spheres of government, agencies, donors, SALGA and other relevant bodies for benefit of local area	Quarterly report on linkages established	no kpi set	no kpi set	no kpi set	4	4	4	4	4	4
The number of job opportunities created through the EPWP programme and as per set targets (grant agreement, FTE's, transfers to JSE with responsibilities)	Number of temporary jobs created	294	608	517	287	287	287	296	296	296
Monthly operate the LED Web Centre for tourism & referral purposes	Number of registers on LED outreach services web in German	no kpi set	no kpi set	no kpi set	no kpi set	no kpi set	no kpi set			
Complete an action plan to improve on the LED maturity	Plan completed	no kpi set	no kpi set	no kpi set	2	2	2			



Description	Unit of measurement	2010/11	2011/12	2012/13	Current Year 2014/15			2015/16 Medium Term Review & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>Infrastructure &amp; Planning</b>										
<b>Director: Infrastructure and Planning</b>										
<b>Electricity</b>										
Limit electricity losses to 8% or less (Number of Electricity Units Purchased - Number of Electricity Units Sold) / Number of Electricity Units Purchased and/or Generated x 100	% of electricity unaccounted for	7.10%	6.66%	5.92%	8.5%	8.8%	8.6%	8%	8%	8%
Provision of Electricity: Number of metered electrical connections in formal area (Ekurhuleni area included)	Number of formal households that have agreed service agreements	20604	no kpi set	25751	21998	21998	21998	25254	25736	26118
<b>Waste/Water Management</b>										
Achieve two Green Drop awards	Number of awards	no kpi set	0	4	2	2	2	2	2	2
Achieve 5 Blue Drop awards	Number of awards	no kpi set	no kpi set	no kpi set	6	6	6	5	5	5
<b>Water</b>										
Report on the implementation of the Water Service Development plan annually by the end of October 2015	Report submitted	1	1	1	1	1	1	1	1	1
<b>Planning and Development</b>										
Municipal Infrastructure Grant (MIG): % expenditure of allocated grant	% expenditure of allocated grant	no kpi set	no kpi set	no kpi set	no kpi set	no kpi set	no kpi set	100%	100%	100%
<b>Protection Services</b>										
<b>Director Protection Services</b>										
Annually review Community Safety Plan by the end of June in conjunction with the Department of Community Safety	Plan reviewed	1	1	1	1	1	1	1	1	1
Arrange public awareness sessions on Protection Services	Number of sessions held	57	50	55	32	32	32	32	32	32
<b>Disaster and Fire Management</b>										
Annually review and submit Disaster Management Plan to the District by the end of June	Reviewed plan submitted	1	1	1	1	1	1	1	1	1
Annually review the Fire Management Plan by the end of June	Plan reviewed	1	1	1	1	1	1	1	1	1
<b>Traffic</b>										
Optimal collection of public safety income for the financial year	R-value of public safety collected income	R 4 867 128	R 5 730 902	R 5 154 575	10000000	10000000	10000000	8000000	8000000	8000000





WC032 Overstrand - Supporting Table SA0 Performance Indicators and benchmarks

Description of financial indicator		2015/16			2015/17			2015/18			Current Year 2016/15			2015/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18						
<b>Borrowings Management</b>																
Credit Rating																
Capital Charges to Operating Expenditure	Interest & Principal Paid/Operating Expenditure	8.2%	8.8%	7.2%	7.0%	7.0%	7.0%	7.2%	7.1%	7.0%						
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	9.2%	7.7%	9.1%	8.1%	8.7%	8.7%	8.8%	8.5%	8.3%						
Borrowed funding to own capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	117.8%	45.1%	39.9%	74.2%	78.7%	75.7%	73.8%	85.2%	95.9%						
<b>Safety of Capital</b>																
Gearing	Long Term Borrowing/ Funds & Reserves	17772.8%	19277.5%	15301.9%	21264.4%	18045.8%	18045.8%	15774.5%	15362.7%	14386.6%						
<b>Liquidity</b>																
Current Ratio	Current assets/current liabilities	1.7	1.3	1.2	1.3	1.4	1.4	1.2	1.3	1.4						
Current Ratio adjusted for aged debtors	(Current assets, less debtors > 90 days)/current liabilities	1.7	1.3	1.0	1.1	1.2	1.2	1.1	1.2	1.3						
Liquidity Ratio	Monetary Assets/Current Liabilities	0.9	0.5	0.4	0.8	0.8	0.8	0.6	0.7	0.9						
<b>Revenue Management</b>																
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		105.3%	91.5%	103.1%	99.5%	99.8%	0.0%	101.2%	99.9%						
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		104.9%	91.9%	103.1%	99.9%	99.8%	99.8%	101.2%	99.9%	99.9%						
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	14.8%	14.4%	13.9%	12.4%	13.3%	13.2%	10.7%	9.7%	9.8%						
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old	86.7%	95.9%	97.2%	100.3%	100.3%	100.2%	99.5%	99.5%	99.9%						
<b>Creditors Management</b>																
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMU's 65%)	99.9%	100.0%	97.8%	99.0%	99.0%	99.0%	98.0%	98.0%	96.0%						
Creditors to Cash and Investments		49.2%	85.2%	87.4%	63.4%	56.3%	56.5%	76.1%	55.8%	49.2%						
<b>Other Indicators</b>																
Electricity Distribution Losses (2)	Total Volume Losses (kW)	18012859	15831477	13688667	15880000	15886000	13988000	13667000	13085499	13064000						
	Total Cost of Losses (Rand 000)	6 513	7 101	7 028	9 127	9 127	9 127	7 927	7 925	7 925						
	% Volume (units purchased and generated less units sold)/units purchased and generated	7.12%	8.91%	5.95%	6.67%	6.67%	6.67%	5.95%	5.94%	5.92%						
Water Distribution Losses (2)	Total Volume Losses (kL)	1 429	1 445	1 455	1 476	1 476	1 476	1 453	1 451	1 449						
	Total Cost of Losses (Rand 000)	2891622	3029726	2728220	3085	3085	3085	4272	4264	4260						
	% Volume (units purchased and generated less units sold)/units purchased and generated	20.36%	20.01%	21.47%	20.23%	20.23%	20.23%	20.19%	20.05%	20.00%						
Employee costs	Employee costs/(Total Revenue + capital revenue)	34.9%	32.9%	35.4%	35.7%	34.1%	34.1%	32.6%	31.4%	31.5%						
Remuneration	Total remuneration/(Total Revenue + capital revenue)	35.3%	33.9%	36.9%	36.8%	35.1%	35.1%	33.0%	32.3%	32.4%						
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	10.9%	15.2%	20.4%	20.7%	20.1%	20.1%	13.5%	13.0%	14.7%						
Finance charges & Depreciated	FCAG/(Total Revenue + capital revenue)	22.7%	20.1%	18.9%	19.7%	18.5%	18.5%	17.7%	18.9%	18.8%						
<b>GP regulation financial viability indicators</b>																
I. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year	24.0	22.9	22.7	24.9	24.6	24.1	22.4	22.1	23.9						
II. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	16.8%	17.9%	16.9%	14.2%	15.7%	15.7%	12.9%	11.8%	11.4%						
III. Cost coverage	(Available cash + investments)/monthly fixed operational expenditure	3.1	1.8	1.2	1.8	1.5	1.5	1.5	1.8	2.4						



[illegible]

WC032 Overstrand Supporting Table SA10 Funding measurement

Description	MFRS section	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>Funding measures</b>										
Cash/cash equivalents at the year end - R'000	18(1)(a)	125 999	84 147	63 158	89 050	89 421	89 421	97 547	127 071	171 875
Cash + investments at the year end less applications - R'000	18(1)(b)	130 018	85 358	66 147	126 920	144 149	144 149	117 777	148 095	182 152
Cash year end/monthly employee/supplier payments	18(1)(c)	3.1	1.3	1.2	1.9	1.5	1.5	1.5	1.9	2.4
Surplus/(Deficit) excluding depreciation effects - R'000	18(1)(d)	(81 907)	10 899	(48 015)	(48 747)	(85 423)	(85 423)	(3 140)	(3 385)	3 879
Service charge rev. % change - metro CPI-X target exclusive	18(1)(a)(2)	N/A	2.3%	4.2%	3.3%	(5.3%)	(5.0%)	1.4%	1.7%	1.8%
Cash receipts % of Ratepayer & Other revenue	18(1)(a)(2)	104.9%	91.5%	103.1%	99.8%	99.8%	99.8%	101.2%	99.9%	99.3%
Debt impairment expense as a % of total bilateral revenue	18(1)(a)(2)	0.0%	1.2%	2.0%	0.0%	3.4%	3.4%	3.1%	2.8%	2.7%
Capital payments % of capital expenditure	18(1)(c)(b)	100.0%	100.0%	100.0%	100.0%	104.4%	104.4%	100.0%	100.0%	100.0%
Borrowing receipts % of capital expenditure (incl. transfer)	18(1)(c)	101.4%	43.0%	55.3%	65.2%	65.5%	65.5%	75.8%	88.9%	100.0%
Grants % of Govt. legislated/guaranteed allocations	18(1)(a)							100.0%	100.0%	100.0%
Current consumer debtors % change - month (dec)	18(1)(a)	N/A	18.5%	(2.1%)	(2.2%)	11.3%	0.0%	(11.2%)	(1.4%)	4.3%
Long term receivables % change - month (dec)	18(1)(a)	N/A	(33.1%)	(15.4%)	(15.1%)	0.0%	0.0%	(28.3%)	(28.0%)	(33.9%)
R&M % of Property Plant & Equipment	20(1)(a)(i)	2.1%	3.7%	4.8%	5.3%	5.2%	5.2%	3.0%	4.1%	4.9%
Asset renewal % of capital budget	20(1)(a)(ii)	0.0%	2.9%	35.9%	28.8%	27.8%	27.8%	20.0%	22.2%	6.2%
<b>Total Operating Revenue</b>		597 482	703 871	736 376	784 474	810 351	810 351	895 036	973 222	1 028 405
<b>Total Operating Expenditure</b>		742 525	752 070	832 022	869 588	933 322	933 322	994 529	1 037 493	1 098 292
<b>Operating Performance Surplus/(Deficit)</b>		(145 043)	(48 199)	(95 646)	(85 115)	(122 971)	(122 971)	(99 494)	(64 271)	(69 883)
<b>Cash and Cash Equivalents (20 June 2012)</b>		125 999	84 147	63 158	89 050	89 421	89 421	97 547	127 071	171 875
<b>Revenue</b>										
% Increase in Total Operating Revenue			17.8%	4.6%	6.5%	3.3%	0.0%	10.5%	8.7%	5.7%
% Increase in Property Rates Revenue			10.3%	11.8%	10.2%	3.3%	0.0%	6.0%	8.5%	6.5%
% Increase in Electricity Revenue			10.1%	9.4%	15.5%	0.0%	0.0%	9.3%	6.7%	9.7%
% Increase in Property Rates & Services Charges			8.3%	10.2%	9.8%	0.7%	0.0%	7.4%	7.7%	7.8%
<b>Expenditure</b>										
% Increase in Total Operating Expenditure			1.5%	10.6%	4.5%	7.3%	0.0%	3.3%	7.6%	5.9%
% Increase in Employee Costs			11.4%	12.5%	7.5%	(1.4%)	0.0%	5.6%	4.7%	6.0%
% Increase in Electricity Bulk Purchases			14.5%	9.3%	7.9%	0.0%	0.0%	14.2%	14.2%	14.2%
Average Cost Per Budgeted Employee Position (Remuneration)			256036 1847	259113 1877	259113 1877			248375 8272		
Average Cost Per Councillor (Remuneration)			317300 44	340621 28	340621 28			346970 32		
R&M % of PPE		2.1%	3.7%	4.8%	5.3%	5.2%	5.2%	3.0%	4.1%	4.9%
Asset Renewal and R&M as a % of PPE		2.0%	4.0%	6.0%	6.0%	6.0%	6.0%	4.0%	5.0%	5.0%
Debt Impairment % of Total Bilateral Revenue		0.0%	1.2%	2.0%	0.0%	3.4%	3.4%	3.1%	2.8%	2.7%
<b>Capital Revenue</b>										
Internally Funded & Other (R'000)		34 478	22 412	22 207	14 430	17 517	17 517	7 215	3 700	-
Borrowing (R'000)		73 964	67 544	70 834	46 923	48 770	48 770	57 348	30 000	30 000
Grant Funding and Other (R'000)		54 833	53 809	38 090	30 368	56 498	56 498	64 264	90 875	73 561
Internally Generated funds % of Non Grant Funding		31.8%	24.2%	23.9%	23.5%	26.4%	26.4%	18.2%	11.1%	0.0%
Borrowing % of Non Grant Funding		88.2%	75.1%	76.1%	76.5%	73.6%	73.6%	81.8%	88.9%	100.0%
Grant Funding % of Total Funding		33.8%	37.4%	29.1%	37.2%	49.0%	48.8%	81.9%	64.3%	71.0%
<b>Capital Expenditure</b>										
Total Capital Programme (R'000)		163 215	143 764	130 903	97 721	122 785	122 785	103 014	94 808	103 551
Asset Renewal		-	4 167	47 032	28 139	32 838	32 838	20 758	21 000	6 500
Asset Renewal % of Total Capital Expenditure		0.0%	2.9%	35.9%	28.8%	26.7%	26.7%	20.0%	22.2%	6.2%
<b>Cash</b>										
Cash Receipts % of Rate Payer & Other		104.9%	91.5%	103.1%	99.8%	99.8%	99.8%	101.2%	99.9%	99.3%
Cash Coverage Ratio		3.1	1.8	1.2	1.6	1.5	1.5	1.5	1.9	2.4
<b>Borrowing</b>										
Credit Rating (2008/10)								0		
Capital Charges to Operating		6.2%	6.8%	7.3%	7.6%	7.0%	7.0%	7.3%	7.1%	7.0%
Borrowing Receipts % of Capital Expenditure		101.4%	43.0%	55.3%	65.2%	65.5%	65.5%	75.8%	88.9%	100.0%
<b>Reserves</b>										
Surplus/(Deficit)		130 018	89 358	96 147	126 920	144 149	144 149	117 777	148 095	182 152
<b>Free Services</b>										
Free Basic Services as a % of Equitable Share		90.1%	88.7%	82.3%	80.2%	80.2%	80.2%	74.8%	72.4%	71.3%
Free Services as a % of Operating Revenue (excl. operational transfers)		14.8%	11.7%	11.2%	10.4%	10.0%	10.0%	11.0%	11.1%	11.1%
<b>High Level Outcome of Funding Compliance</b>										
Total Operating Revenue		597 482	703 871	736 376	784 474	810 351	810 351	895 036	973 222	1 028 405
Total Operating Expenditure		742 525	752 070	832 022	869 588	933 322	933 322	994 529	1 037 493	1 098 292
Surplus/(Deficit) Budgeted Operating Statement		(145 043)	(48 199)	(95 646)	(85 115)	(122 971)	(122 971)	(99 494)	(64 271)	(69 883)
Surplus/(Deficit) Considering Reserves and Cash Backing		130 018	89 358	96 147	126 920	144 149	144 149	117 777	148 095	182 152
MTREF Funded (1) / Unfunded (0)		1	1	1	1	1	1	1	1	1
MTREF Funded ✓ / Unfunded ✗		✓	✓	✓	✓	✓	✓	✓	✓	✓





WC032 Overstrand - Supporting Table SA11 Property rates summary

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>Valuation:</b>									
Date of valuation	02/07/2007	02/07/2011	02/07/2011						
Financial year valuation used	2008/2009	2012/2013	2012/2013	2012/2013			2012/2013		
Municipal by-laws 58 in place? (Y/N)	Yes		Yes				Yes		
Municipal/assistant valuer appointed? (Y/N)	Yes		Yes				Yes		
Municipal partnership 538 used? (Y/N)	No		No				No		No
No. of assistant valuers (FTE)	2	2	2	2	2	2	2	2	2
No. of data collectors (FTE)	6	6	6	12	12	12	6	6	6
No. of internal valuers (FTE)	-	-	-	-	-	-	-	-	-
No. of external valuers (FTE)	4	4	3	3	3	3	3	3	3
No. of additional valuers (FTE)	-	-	-	1	1	1	-	-	-
Valuation appeal board established? (Y/N)	Yes		Yes				Yes		
Implementation time of new valuation roll (mths)		36	24	12			-		
No. of properties	40 907	40 801	41 025	41 230	41 230	41 230	41 848	41 492	41 492
No. of sectional title values	2 356	2 383	2 623	2 636	2 636	2 636	2 634	2 647	2 661
No. of unreasonably difficult properties s7(2)	-	-	-	-	-	-	-	-	-
No. of supplementary valuations	1	2	3	2	2	2	1	1	1
No. of valuation roll amendments	2	3	3	2	2	2	12	1	1
No. of objections by rate payers	24	830	103	100	100	100	1 500	400	400
No. of appeals by rate payers	1	53	6	10	10	10	150	40	40
No. of successful objections	5		24	20	20	20	750	200	200
No. of successful objections > 10%	-	131	14	10	10	10	75	20	20
Supplementary valuation	3 323	4 998	4 233	4 487	4 487	4 487	3 910	3 628	3 646
Public service infrastructure value (Rm)	38	40	40	43	43	43	83	83	83
Municipality owned property value (Rm)	701	694	694	736	736	736	737	741	745
<b>Valuation reductions:</b>									
Valuation reductions-public infrastructure (Rm)	41	40	40	43	43	43	85	85	86
Valuation reductions-nature reserves/park (Rm)	-	-	-	-	-	-	275	277	279
Valuation reductions-mineral rights (Rm)	-	-	-	-	-	-	-	-	-
Valuation reductions-R15,000 threshold (Rm)	458	453	453	480	480	480	494	436	438
Valuation reductions-public worship (Rm)	211	209	209	222	222	222	258	259	260
Valuation reductions-other (Rm)	2 057	2 048	2 046	2 189	2 189	2 189	2 254	2 285	2 274
<b>Total valuation reductions:</b>	<b>2 778</b>	<b>2 748</b>	<b>2 749</b>	<b>2 913</b>	<b>2 913</b>	<b>2 913</b>	<b>3 308</b>	<b>3 321</b>	<b>3 339</b>
Total value used for rating (Rm)	39 491	39 152	39 152	41 501	41 501	41 501	39 998	40 198	40 399
Total land value (Rm)	22 148	21 360	21 360	22 642	22 642	22 642	22 151	22 262	22 373
Total value of improvements (Rm)	20 119	20 540	20 540	21 772	21 772	21 772	21 153	21 259	21 365
Total market value (Rm)	42 267	41 900	41 900	44 414	44 414	44 414	43 304	43 521	43 739
<b>Rating:</b>									
Residential rate used to determine rate for other categories? (Y/N)	Yes	Yes	Yes	Yes			Yes		
Differential rates used? (Y/N)	Yes	Yes	Yes	Yes			Yes		
Limit on annual rate increase (s20)? (Y/N)	No	No	No	No	No	No	No	No	No
Special rating area used? (Y/N)	Yes	Yes	Yes	Yes	No	No	Yes	No	No
Phasing-in properties s21 (number)	No	No	No	No	No	No	No	No	No
Rating policy accompanying budget? (Y/N)	Yes	Yes	Yes	Yes	No	No	No	No	No
Fixed amount minimum value (R000)				100			220		
Non-residential prescribed ratio s19? (%)	46.0%	48.6%	51.4%	51.5%			51.0%		
<b>Rate revenue:</b>									
Rate revenue budget (R 000)	112 600	120 278	134 994	148 520	148 520	148 520	157 847	165 259	175 174
Rate revenue expected to collect (R000)	112 600	120 278	134 994	148 520	148 520	148 520	157 847	165 259	175 174
Expected cash collection rate (%)	87.6%	99.8%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Special rating areas (R000)	-	-	-	-	-	-	-	-	-
Rebates, exemptions - indigent (R000)	-	-	-	-	-	-	-	-	-
Rebates, exemptions - pensioners (R000)	0	319	353	401	401	401	425	450	477
Rebates, exemptions - bona fide farm (R000)	1	1 653	69	79	79	79	83	89	94
Rebates, exemptions - other (R000)	2	3 709	3 410	3 875	3 875	3 875	4 108	4 354	4 615
Phase-in reductions/discounts (R000)	-	-	-	-	-	-	-	-	-
<b>Total rebates, exemptions, reductions, discounts (R000)</b>	<b>3</b>	<b>5 680</b>	<b>3 833</b>	<b>4 355</b>	<b>4 355</b>	<b>4 355</b>	<b>4 616</b>	<b>4 893</b>	<b>5 187</b>



WC032 Overall and - Supporting Table SA12a Property rates by category (current year)

Description	Rural	Indicat.	Buss & Comm.	Farm props.	State-owned	Muni props.	Public service infra.	Private owned towns	Formal & Informal Settlements	Comm. Land	State Invest land	Sector (RZM) (note 1)	Project Areas	National Monuments	Public benefit organs.	Mining Propts.
<b>Current Year 2014/15</b>																
<b>Valuation:</b>																
No. of properties	36 825	-	1 028	289	190	1 866	582	-	-	-	-	-	113	-	138	-
No. of sectional title property values	2 242	-	384	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of unconsecrated agricultural properties s7(1)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
No. of supplementary valuations	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
Supplementary valuations (Rm)																
No. of valuation roll amendments	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
No. of objections by rate-payers																
No. of appeals by rate-payers																
No. of appeals by rate-payers funded																
No. of successful objections																
No. of successful objections > 10%																
Estimated no. of properties not valued																
Estimated no. of properties not valued (select)																
Frequency of valuation (select)	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3
Method of valuation used (select)	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4
Method of valuation used (select)	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market	Market
Base of valuation (select)	Land & imp	Land & imp	Land & imp	Land & imp	Land & imp	Land & imp	Land & imp	Land & imp	Land & imp	Land & imp	Land & imp	Land & imp	Land & imp	Land & imp	Land & imp	Land & imp
Pricing to value (select)	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES
Combination of rating types used? (T/F)	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO
Flat rate used? (Y/N)	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable
Is balance raised by uniform rate/variable rate?																
<b>Multiple reductions:</b>																
Valuation reductions public infrastructure (Rm)	-	-	-	-	-	-	\$2	-	-	-	-	-	224	-	-	-
Valuation reductions nature management (Rm)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions mineral rights (Rm)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions R115,000 threshold (Rm)	432	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Valuation reductions public works (Rm)	2 242	-	-	-	-	-	-	-	-	-	-	-	-	-	221	-
Valuation reductions other (Rm)																
<b>Total valuation reductions:</b>																
Total values used for rating (Rm)	35 584	-	3 639	791	318	-	-	-	-	-	-	-	-	-	-	-
Total land value (Rm)	18 632	-	1 555	581	149	561	78	-	-	-	-	-	197	-	90	-
Total value of improvements (Rm)	17 978	-	2 104	113	175	173	7	-	-	-	-	-	76	-	165	-
Total market value (Rm)	38 610	-	3 659	743	324	733	\$5	-	-	-	-	-	272	-	256	-
<b>Realise:</b>																
Average ratio	0.004140		0.002700	0.001040	0.006270				0.004140							
Actual budget (P 100)	109 593		20 877	587	17 126											
Expected collection rate (P100)	109 593		20 877	587	17 126											
Expected collection rate (%)	100.0%		100.0%	100.0%	100.0%											
Special case values (P1000)																
Special case values (P1000)																
Special case values (P1000)																
Special case values (P1000)																
Special case values (P1000)																
Special case values (P1000)																
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Special case values (P1000)																
Special case values (P1000)																
Special case values (P1000)																





WC032 Overstrand - Supporting Table SA13a Service Tariffs by category

Description	Provide description of tariff structures where appropriate	2011/12	2012/13	2013/14	Current Year 2014/15	2015/16 Medium Term Revenue & Expenditure Framework		
						Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>Property rates (rate in this band)</b>								
Residential properties		94 952 285	100 068 700	31 898 000	107 522 000	87 825 000	102 523 000	108 674 350
Residential properties - vacant land						18 898 000	19 798 000	20 973 160
Formal/informal settlements								
Small holdings								
Farm properties - used		186 487	267 327	221 000	259 000	634 000	984 000	703 840
Farm properties - not used								
Industrial properties								
Business and commercial properties		17 562 116	19 920 516	16 418 000	31 567 000	22 188 000	23 730 000	24 521 600
Communal land - residential								
Communal land - small holdings								
Communal land - farm property								
Communal land - business and commercial								
Communal land - other								
State-owned properties				16 285 000	19 072 000	18 201 000	19 058 000	20 199 360
Municipal properties								
Public service infrastructure								
Privately owned towns serviced by the owner								
State trust land								
Redemption and redistribution properties								
Protected areas								
National monuments properties								
<b>Exemptions, reductions and rebates (Rands)</b>								
<b>Residential properties</b>								
R15 000 threshold rebate		15 000	15 000	15 000	15 000	15 000	15 000	15 000
General residential rebate		15 000	15 000	15 000	15 000	15 000	15 000	15 000
Indigent rebate or exemption		25 000	100 000	100 000	100 000	220 000	220 000	220 000
Provisional/school grants rebate or exemption		50 000	100 000	100 000	100 000	220 000	220 000	220 000
Temporary relief rebate or exemption		30-100%	30-100%	30-100%	30-100%	40-100%	40-100%	40-100%
Don't take rebate or exemption		65%	73%	75%	75%	75%	75%	75%
<b>Other rebates or exemptions</b>								
<b>Water tariffs</b>								
<b>Domestic</b>								
Basic charge/used fee (Rands/month)		86	93	96	102	102	111	115
Service point - vacant land (Rands/month)		88	93	96	102	102	111	119
Water usage - flat rate tariff (p/L)								
Water usage - life line tariff	Consumption - Households			307	328	325	345	365
Water usage - Block 1 (p/L)	0 - 8.5 m <sup>3</sup> /d	-	-	811	1 055	1 055	1 055	1 125
Water usage - Block 2 (p/L)	7 - 20 m <sup>3</sup> /d	702	746	1 119	1 431	1 431	1 725	1 833
Water usage - Block 3 (p/L)	21 - 30 m <sup>3</sup> /d	702	1 200	2 025	2 512	2 512	2 667	2 822
Water usage - Block 4 (p/L)	31 - 80 m <sup>3</sup> /d	1 155	1 860	2 832	3 263	3 263	3 459	3 665
Other	> 80 m <sup>3</sup> /d	2 359	2 518	3 508	4 351	4 351	4 612	4 865
<b>Water usage tariffs</b>								
<b>Domestic</b>								
Basic charge/used fee (Rands/month)		70	91	96	91	91	96	102
Service point - vacant land (Rands/month)		164	123	130	109	109	118	122
Water usage - flat rate tariff (p/L)		811	877	965	1 026	1 026	1 088	1 153
Volume charge - Block 1 (p/L)	Basic charge - pumps	51	54	56	61	61	65	69
Volume charge - Block 2 (p/L)	Service per pump	353	373	385	410	419	444	471
Volume charge - Block 3 (p/L)	(R in structure)							
Volume charge - Block 4 (p/L)	(R in structure)							
<b>Other</b>								
<b>Electricity tariffs</b>								
<b>Domestic</b>								
Basic charge/used fee (Rands/month)		152	158	163	204	204	216	228
Service point - vacant land (Rands/month)		152	158	163	204	204	216	228
FBE	Quality for indigent (describes structure)							
Lifeline tariff - meter	< 30 Amp	720	725	725	886	886	899	896
Lifeline tariff - prepaid								
Flat rate tariff - meter (p/kWh)								
Flat rate tariff - prepaid (p/kWh)								
Meter - BT Block 1 (p/kWh)	0 - 350 kWh	720	961	996	999	999	1 017	1 078
Meter - BT Block 2 (p/kWh)	351 - 650 kWh	980	1 133	1 201	1 200	1 200	1 278	1 443
Meter - BT Block 3 (p/kWh)	> 650 kWh	1 140	1 328	1 448	1 567	1 567	1 661	1 751
Meter - BT Block 4 (p/kWh)	(R in structure)							
Meter - BT Block 5 (p/kWh)	(R in structure)							
Prepaid - BT Block 1 (p/kWh)	0 - 350 kWh	720	795	819	886	886	939	996
Prepaid - BT Block 2 (p/kWh)	351 - 650 kWh	980	1 068	1 132	1 225	1 225	1 299	1 378
Prepaid - BT Block 3 (p/kWh)	> 650 kWh	1 140	1 277	1 392	1 508	1 508	1 596	1 692
Prepaid - BT Block 4 (p/kWh)	(R in structure)							
Prepaid - BT Block 5 (p/kWh)	(R in structure)							
<b>Other</b>								
<b>Water management tariffs</b>								
<b>Domestic</b>								
Street cleaning charge								
Basic charge/used fee		53	113	123	130	130	138	
30 dm - once a week								
250 dm - once a week		294	112	123	130	130	139	



WC032 Overstrand - Supporting Table SA13b Service Tariffs by category - explanatory

Description	Provide description of tariff structure where appropriate	2011/12	2012/13	2013/14	Current Year 2014/15	2015/16 Medium Term Revenue & Expenditure Framework		
						Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<u>Exemptions, reductions and rebates (Rands)</u>								
	RESIDENTIAL	0.00329	0.00360	0.00360	0.00414	0.00442	0.00436	0.00465
	BUSINESS & COMMERCIAL	0.00479	0.00545	0.00545	0.00628	0.00670	0.00664	0.00700
	FARM PROPERTIES	0.00329	0.00360	0.00360	0.00414	0.00442	0.00436	0.00465
	VACANT					0.00605	0.00641	0.00660
<u>Water tariffs</u>								
	Basic charge/ fixed fee			96	102	102	108	115
	Service point - vacant land			96	102	102	108	115
	0 - 8 kl	-	-	307	325	325	345	365
	7 - 16 kl	702	746	811	1 005	1 005	1 063	1 129
	15 - 30 kl	702	1 200	1 318	1 631	1 631	1 729	1 833
	31 - 45 kl	1 755	1 860	2 026	2 612	2 512	2 663	2 822
	46 - 60 kl	1 755	1 860	2 632	3 263	3 263	3 459	3 665
	> 60 kl	2 368	2 518	3 509	4 351	4 351	4 612	4 889
<u>Waste water tariffs</u>								
	Basic charge per month	76	80	86	91	91	97	102
	Basic charge - vacant land	161	122	130	109	109	116	122
	Flat rate per lu	811	877	955	1 026	1 026	1 068	1 153
	Basic charge - pumps	51	54	58	61	61	65	69
	Service per pump	351	372	396	419	419	445	471
<u>Electricity tariffs</u>								
	Basic charge - monthly	152	158	193	204	204	216	229
	Basic charge - vacant land	152	158	193	204	204	216	229
	Flat rate - Lifeline	720	795	795	866	866	939	996
	Credit meter							
	0 - 350 kWh	720	861	861	959	959	1 017	1 076
	351 - 600 kWh	980	1 130	1 130	1 300	1 300	1 378	1 461
	> 600 kWh	1 140	1 328	1 435	1 567	1 567	1 661	1 761
	Prepaid meter							
	0 - 350 kWh	720	795	795	866	866	939	996
	351 - 600 kWh	980	1 068	1 121	1 225	1 225	1 299	1 376
	> 600 kWh	1 140	1 277	1 378	1 506	1 506	1 566	1 682



WC032 Overstrand - Supporting Table SA14 Household bills

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework			
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16 % Incr	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>Randicant</b>										
<b>Monthly Account for Household - Middle Income Range</b>										
<b>Rates and services charges:</b>										
Property rates	147.26	151.25	156.00	179.40	179.40	179.40	7.0%	191.68	202.19	215.38
Electricity: Basic levy	151.75	157.89	162.98	204.56	204.56	204.56	6.0%	216.83	229.84	243.63
Electricity: Consumption	963.00	1 056.28	1 126.42	1 219.00	1 219.00	1 219.00	11.0%	1 367.95	1 459.43	1 525.79
Water: Basic levy	87.72	82.98	86.49	102.28	102.28	102.28	6.0%	108.42	114.93	121.82
Water: Consumption	166.46	224.44	272.66	290.10	290.10	290.10	6.0%	308.64	322.50	352.55
Sanitation	243.92	284.87	288.62	305.84	305.84	305.84	6.0%	325.09	344.50	365.27
Refuse removal	83.33	113.16	122.81	130.18	130.18	130.18	6.0%	137.99	146.27	155.05
Other										
<b>sub-total</b>	<b>1 631.48</b>	<b>2 060.87</b>	<b>2 237.18</b>	<b>2 431.46</b>	<b>2 431.46</b>	<b>2 431.46</b>	<b>8.8%</b>	<b>2 646.81</b>	<b>2 810.84</b>	<b>2 979.50</b>
VAT on Services	234.63	267.35	294.17	312.99	312.99	312.99		344.41	365.07	386.88
<b>Total large household bill:</b>	<b>2 064.08</b>	<b>2 328.22</b>	<b>2 531.35</b>	<b>2 744.44</b>	<b>2 744.44</b>	<b>2 744.44</b>	<b>9.9%</b>	<b>2 991.02</b>	<b>3 175.92</b>	<b>3 366.47</b>
<b>% increase/decrease</b>		<b>12.6%</b>	<b>9.5%</b>	<b>7.8%</b>	<b>-</b>	<b>-</b>		<b>9.0%</b>	<b>6.2%</b>	<b>6.0%</b>
<b>Monthly Account for Household - Affordable Range</b>										
<b>Rates and services charges:</b>										
Property rates	97.80	104.70	108.00	124.20	124.20	124.20	7.0%	132.71	140.67	148.11
Electricity: Basic levy	151.75	157.89	162.98	204.56	204.56	204.56	6.0%	216.83	229.84	243.63
Electricity: Consumption	399.00	438.62	456.59	494.01	494.01	494.01	11.0%	550.31	583.33	618.33
Water: Basic levy	87.72	82.98	86.49	102.28	102.28	102.28	6.0%	108.42	114.93	121.82
Water: Consumption	130.38	164.44	207.85	220.35	220.35	220.35	7.0%	236.54	250.73	265.78
Sanitation	231.74	234.17	254.84	270.13	270.13	270.13	6.0%	287.91	304.23	322.48
Refuse removal	83.33	113.16	122.81	130.18	130.18	130.18	6.0%	137.99	146.27	155.05
Other										
<b>sub-total</b>	<b>1 184.12</b>	<b>1 308.96</b>	<b>1 438.57</b>	<b>1 545.71</b>	<b>1 545.71</b>	<b>1 545.71</b>	<b>8.0%</b>	<b>1 668.81</b>	<b>1 770.00</b>	<b>1 878.20</b>
VAT on Services	152.17	169.16	188.42	199.61	199.61	199.61		215.19	228.11	241.79
<b>Total small household bill:</b>	<b>1 336.88</b>	<b>1 478.14</b>	<b>1 625.99</b>	<b>1 744.72</b>	<b>1 744.72</b>	<b>1 744.72</b>	<b>8.0%</b>	<b>1 883.90</b>	<b>1 998.10</b>	<b>2 119.99</b>
<b>% increase/decrease</b>		<b>10.3%</b>	<b>10.3%</b>	<b>7.3%</b>	<b>-</b>	<b>-</b>		<b>8.0%</b>	<b>6.2%</b>	<b>6.0%</b>
<b>Monthly Account for Household - Indigent Household receiving free basic services</b>										
<b>Rates and services charges:</b>										
Property rates	54.33	58.16	60.00	69.00	69.00	69.00	7.0%	73.73	78.15	82.84
Electricity: Basic levy	151.75	157.89	162.98	204.56	204.56	204.56	6.0%	216.83	229.84	243.63
Electricity: Consumption	252.00	278.39	286.75	310.24	310.24	310.24	11.0%	345.59	366.33	388.30
Water: Basic levy	87.72	82.98	86.49	102.28	102.28	102.28	6.0%	108.42	114.93	121.82
Water: Consumption	98.28	104.44	123.67	131.10	131.10	131.10	6.0%	139.02	149.64	158.82
Sanitation	204.15	203.48	221.07	234.33	234.33	234.33	6.0%	246.93	262.87	278.70
Refuse removal	83.33	113.16	122.81	130.18	130.18	130.18	6.0%	137.99	146.27	155.05
Other	(498.47)	(521.33)	(599.18)	(635.06)	(635.06)	(635.06)	7.0%	(676.64)	(717.24)	(760.27)
<b>sub-total</b>	<b>483.09</b>	<b>487.17</b>	<b>505.81</b>	<b>546.63</b>	<b>546.63</b>	<b>546.63</b>	<b>8.8%</b>	<b>593.87</b>	<b>631.78</b>	<b>668.69</b>
VAT on Services	57.23	60.06	64.98	69.60	69.60	69.60		73.12	77.51	82.16
<b>Total small household bill:</b>	<b>540.32</b>	<b>547.23</b>	<b>570.79</b>	<b>616.23</b>	<b>616.23</b>	<b>616.23</b>	<b>8.2%</b>	<b>666.99</b>	<b>709.29</b>	<b>750.85</b>
<b>% increase/decrease</b>		<b>1.3%</b>	<b>4.3%</b>	<b>8.0%</b>	<b>-</b>	<b>-</b>		<b>8.2%</b>	<b>6.2%</b>	<b>6.0%</b>



WC032 Overstrand - Supporting Table SA15 Investment particulars by type

Investment type	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>R thousand</b>									
<b>Parent municipality</b>									
Securities - National Government									
Listed Corporate Bonds									
Deposits - Bank	75 000	55 042	50 039						
Deposits - Public Investment Commissioners									
Deposits - Corporation for Public Deposits									
Bankers Acceptance Certificates									
Negotiable Certificates of Deposit - Banks									
Guaranteed Endowment Policies (sinking)	9 551	11 537	15 965	22 207	22 207	22 207	28 455	34 384	40 409
Repurchase Agreements - Banks									
Municipal Bonds									
<b>Consolidated total:</b>	<b>80 551</b>	<b>66 579</b>	<b>67 004</b>	<b>22 207</b>	<b>22 207</b>	<b>22 207</b>	<b>28 455</b>	<b>34 384</b>	<b>40 409</b>





Investments by Maturity Name of Institution & Investment ID	Period of Investment Yr/Months	Type of Investment	Credit Guarantee (Yr/Mo)	Variable or Fixed Interest rate	Interest Rate 3	Commissions Paid (Rands)	Commission Percentage	Expiry date of Investment	Opening balance	Interest to be realized	Partial / Premiums Withdrawal (R)	Investment Top Up	Closing Balance
Overstrand Municipality LIBERTY 71-10664 MORTGAGE INVESTMENT TOTAL INVESTMENT AND INTEREST	15 YEARS 14 YEARS 10 YEARS	POLICY POLICY POLICY	YES YES YES	VARIABLE VARIABLE VARIABLE	Fair Value Adjustment Fair Value Adjustment Fair Value Adjustment			01/01/2015 01/01/2015 01/01/2015	6 125 9 381 1 151	254 276 (72)		1 500 1 120 302	8 181 12 581 1 168 22 391



WC032 Overstrand - Supporting Table SA17 Borrowing

Borrowing - Categorized by type	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>R thousand</b>									
<b>Parent municipality</b>									
Long-Term Loans (annuity/reducing balance)	259 581	274 304	292 444	307 225	307 225	307 225	311 667	312 288	305 260
Long-Term Loans (non-annuity)	90 000	90 000	100 000	100 000	100 000	100 000	100 000	100 000	100 000
Local registered stock									
Instalment Credit				4 541	5 520	5 520	4 333	2 981	1 443
Financial Leases	623	238			84	84	-	-	-
PPP liabilities									
Finance Granted By Cap Equipment Supplier									
Marketable Bonds									
Non-Marketable Bonds									
Bankers Acceptances									
Financial derivatives									
Other Securities									
<b>Total Borrowing</b>	<b>341 204</b>	<b>364 832</b>	<b>392 444</b>	<b>411 766</b>	<b>412 829</b>	<b>412 829</b>	<b>415 999</b>	<b>415 269</b>	<b>410 503</b>
<b>Unspent Borrowing - Categorized by type</b>									
<b>Parent municipality</b>									
Long-Term Loans (annuity/reducing balance)	18 255	6 133	1 847						
Long-Term Loans (non-annuity)									
Local registered stock									
Instalment Credit									
Financial Leases									
PPP liabilities									
Finance Granted By Cap Equipment Supplier									
Marketable Bonds									
Non-Marketable Bonds									
Bankers Acceptances									
Financial derivatives									
Other Securities									
<b>Municipality sub-total</b>	<b>18 255</b>	<b>6 133</b>	<b>1 847</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Unspent Borrowing</b>	<b>18 255</b>	<b>6 133</b>	<b>1 847</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>



WC032 Overstrand - Supporting Table SA18 Transfers and grant receipts

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>R thousand</b>									
<b>RECEIPTS:</b>									
<b>Operating Transfers and Grants</b>									
National Government:	33 973	38 956	45 033	54 673	56 511	56 511	67 709	74 702	82 187
Local Government Equitable Share	31 156	36 146	41 949	52 021	52 021	52 021	54 598	72 270	79 804
Finance Management	1 250	698	1 300	884	1 450	1 450	1 450	1 475	1 550
Municipal Systems Improvement	790	790	540	-	-	-	-	957	1 033
EPWP Incentive	777	1 332	1 244	1 768	1 768	1 768	1 561	-	-
Municipal Disaster Recovery Grant	-	-	-	1 272	1 272	1 272	-	-	-
Other transfers/grants (insert description)	-	-	-	-	-	-	-	-	-
Provincial Government:	10 697	2 703	23 332	3 734	4 174	4 174	22 615	33 184	14 986
Housing	9 914	1 659	18 663	183	91	91	17 147	27 480	8 876
Emergency Housing Programme (EHP)	-	-	-	220	220	220	-	-	-
Provincial Library Grant	640	691	795	3 182	3 182	3 182	5 268	5 557	5 890
Financial Management Support Grant	-	-	800	-	514	514	-	-	-
Community Development Worker Grant	78	70	49	52	70	70	72	76	80
Main Road Subsidy	65	65	2 851	97	97	97	114	-	-
Sport & Recreation Grant	-	-	-	-	-	-	-	-	-
Nelson Mandela commemoration Grant	-	-	100	-	-	-	-	-	-
Greenest Municipality	-	-	80	-	-	-	-	-	-
Thusong Service centre grant	-	218	218	-	-	-	-	71	140
District Municipality:	-	-	-	-	-	-	-	-	-
(insert description)	-	-	-	-	-	-	-	-	-
Other grant providers:	270	652	386	-	185	185	-	-	-
ACIP	-	-	-	-	-	-	-	-	-
Prov Govt. Nelson Mandela Commemoration	-	-	27	-	-	-	-	-	-
Prov Govt. ICT Projects for Libraries	-	-	240	-	-	-	-	-	-
Table Mountain Fund	-	-	-	-	-	-	-	-	-
Public Contr. KCH	-	22	-	-	-	-	-	-	-
Samrae Usergroup	-	-	-	-	-	-	-	-	-
Fredrick Naumark Foundation	-	-	319	-	185	185	-	-	-
Spaces 4 Sport	270	630	-	-	-	-	-	-	-
<b>Total Operating Transfers and Grants</b>	<b>44 940</b>	<b>42 311</b>	<b>68 951</b>	<b>58 407</b>	<b>60 670</b>	<b>60 670</b>	<b>90 324</b>	<b>107 886</b>	<b>97 173</b>
<b>Capital Transfers and Grants</b>									
National Government:	54 183	36 911	26 068	24 174	23 608	23 608	30 347	26 126	28 187
Municipal Infrastructure Grant (MIG)	13 971	16 947	18 735	20 674	20 674	20 674	21 417	22 126	23 187
Public Transport and Systems	-	-	-	-	-	-	-	-	-
Regional Bulk Infrastructure	36 212	15 174	-	-	-	-	-	-	-
Neighbourhood Development Partnership	2 000	2 418	3 963	-	-	-	-	-	-
Finance Management	-	552	-	586	-	-	-	-	-
Municipal Systems Improvement	-	20	350	934	934	934	930	-	-
INEP	2 000	1 800	3 000	2 000	2 000	2 000	8 000	4 000	6 000
Provincial Government:	-	20 217	8 818	10 060	10 516	10 516	33 007	34 750	44 374
Housing	-	18 693	7 727	7 810	28 365	28 366	29 973	34 750	44 374
Sport & Recreation Grant	-	-	100	-	-	-	-	-	-
Provincial Library Grant	-	13	10	2 150	2 150	2 150	3 034	-	-
Provincial Transport Infrastructure Grant	-	1 500	982	-	-	-	-	-	-
Community Development Worker Grant	-	11	-	-	-	-	-	-	-
District Municipality:	-	-	-	-	-	-	-	-	-
(insert description)	-	-	-	-	-	-	-	-	-
Other grant providers:	500	-	-	2 134	2 051	2 051	1 000	-	-
DWA ACIP	-	-	-	1 000	1 000	1 000	-	-	-
Spaces 4 Sport	-	-	-	51	51	51	-	-	-
Evskom Rebate/National Lotto	500	-	-	1 083	1 000	1 000	1 000	-	-
<b>Total Capital Transfers and Grants</b>	<b>54 683</b>	<b>57 128</b>	<b>34 887</b>	<b>36 368</b>	<b>58 175</b>	<b>58 175</b>	<b>64 354</b>	<b>60 876</b>	<b>73 581</b>
<b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>	<b>99 623</b>	<b>99 439</b>	<b>103 838</b>	<b>94 775</b>	<b>117 045</b>	<b>117 045</b>	<b>154 678</b>	<b>168 762</b>	<b>170 754</b>









WC032 Overstrand - Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>R thousand</b>									
<b>Operating transfers and grants:</b>									
<b>National Government:</b>									
Balance unspent at beginning of the year	-	-	-	-	-	-	-	-	-
Current year receipts	33 973	38 988	45 332	54 673	56 511	56 511	67 709	74 702	82 187
Conditions met - transferred to revenue	33 973	38 988	45 332	54 673	56 511	56 511	67 709	74 702	82 187
Conditions still to be met - transferred to liabilities	-	-	-	-	-	-	-	-	-
<b>Provincial Government:</b>									
Balance unspent at beginning of the year	129	174	153	-	683	683	-	-	-
Current year receipts	10 697	2 793	23 332	3 734	4 174	4 174	22 515	33 184	14 986
Transfer to creditor/debtor	(3 310)	-	-	-	(79)	(79)	-	-	-
Conditions met - transferred to revenue	4 032	2 734	22 802	3 734	4 778	4 778	22 515	33 184	14 986
Conditions still to be met - transferred to liabilities	2 485	153	683	-	-	-	-	-	-
<b>District Municipality:</b>									
Balance unspent at beginning of the year	-	-	-	-	-	-	-	-	-
Current year receipts	-	-	-	-	-	-	-	-	-
Conditions met - transferred to revenue	-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities	-	-	-	-	-	-	-	-	-
<b>Other grant providers:</b>									
Balance unspent at beginning of the year	125	240	669	-	361	361	-	-	-
Current year receipts	270	652	586	-	185	185	-	-	-
Conditions met - transferred to revenue	156	222	894	-	546	546	-	-	-
Conditions still to be met - transferred to liabilities	240	669	361	-	-	-	-	-	-
<b>Total operating transfers and grants revenue</b>	<b>38 161</b>	<b>41 902</b>	<b>69 730</b>	<b>58 407</b>	<b>61 835</b>	<b>61 835</b>	<b>90 324</b>	<b>107 888</b>	<b>97 173</b>
<b>Total operating transfers and grants - CTBM</b>	<b>3 725</b>	<b>822</b>	<b>1 044</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Capital transfers and grants:</b>									
<b>National Government:</b>									
Balance unspent at beginning of the year	-	-	-	-	-	-	-	-	-
Current year receipts	54 183	36 911	26 068	24 174	23 606	23 606	30 347	26 126	23 187
Transfer to creditor/debtor	-	-	(574)	-	-	-	-	-	-
Conditions met - transferred to revenue	54 183	36 911	25 094	24 174	23 606	23 606	30 347	26 126	23 187
Conditions still to be met - transferred to liabilities	-	-	-	-	-	-	-	-	-
<b>Provincial Government:</b>									
Balance unspent at beginning of the year	981	3 643	6 961	-	2 382	2 382	-	-	-
Current year receipts	-	20 217	8 819	10 060	30 516	30 516	33 007	34 750	44 374
Transfer to creditor/debtor	-	-	(402)	-	(8)	(8)	-	-	-
Conditions met - transferred to revenue	660	16 898	12 996	10 060	32 890	32 890	33 007	34 750	44 374
Conditions still to be met - transferred to liabilities	331	5 961	2 382	-	-	-	-	-	-
<b>District Municipality:</b>									
Balance unspent at beginning of the year	-	-	-	-	-	-	-	-	-
Current year receipts	-	-	-	-	-	-	-	-	-
Conditions met - transferred to revenue	-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities	-	-	-	-	-	-	-	-	-
<b>Other grant providers:</b>									
Balance unspent at beginning of the year	-	500	-	-	-	-	-	-	-
Current year receipts	500	-	-	2 134	2 051	2 051	1 000	-	-
Conditions met - transferred to revenue	-	500	-	2 134	2 051	2 051	1 000	-	-
Conditions still to be met - transferred to liabilities	500	-	-	-	-	-	-	-	-
<b>Total capital transfers and grants revenue</b>	<b>54 833</b>	<b>54 309</b>	<b>38 090</b>	<b>36 368</b>	<b>58 549</b>	<b>58 549</b>	<b>64 354</b>	<b>60 876</b>	<b>73 561</b>
<b>Total capital transfers and grants - CTBM</b>	<b>831</b>	<b>9 961</b>	<b>2 382</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL TRANSFERS AND GRANTS REVENUE</b>	<b>92 993</b>	<b>96 211</b>	<b>108 820</b>	<b>94 775</b>	<b>120 384</b>	<b>120 384</b>	<b>154 678</b>	<b>168 762</b>	<b>170 734</b>
<b>TOTAL TRANSFERS AND GRANTS - CTBM</b>	<b>4 556</b>	<b>7 783</b>	<b>3 426</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>





WC032 Overstrand - Supporting Table SA21 Transfers and grants made by the municipality

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>R thousand</b>									
<u>Cash Transfers to other municipalities</u> <i>Insert description</i>									
<b>Total Cash Transfers To Municipalities:</b>	-	-	-	-	-	-	-	-	-
<u>Cash Transfers to Entities/Other External Mechanisms</u> <i>Insert description</i>									
<b>Total Cash Transfers To Entities/Em's:</b>	-	-	-	-	-	-	-	-	-
<u>Cash Transfers to other Organs of State</u> <i>Insert description</i>									
<b>Total Cash Transfers To Other Organs Of State:</b>	-	-	-	-	-	-	-	-	-
<u>Cash Transfers to Organisations</u> <i>Insert description</i>									
Grant-in-aid	370	298	451	-	-	-	278	295	313
Badisa				30	30	30			
Overstrand Association for People with Disabilities				8	8	8			
Kamma				10	10	10			
Overstrand Conservation Foundation				25	25	25			
Hermanus Botanical Society				20	20	20			
Kleinmond Child Welfare				15	15	15			
Overstrand Hospice				28	28	28			
Hanglip Community Care Centre				15	15	15			
Recycle Swap Shop				10	10	10			
Siyamsa Service Centre for the Aged				20	20	20			
Overberg Wheelchair Association				20	20	20			
Overstrand Arts				20	20	20			
National Sea Rescue Institute				47	47	47			
S.H.A.R.E.				10	10	10			
Tourism Buro's							1 649	1 747	1 852
<b>Total Cash Transfers To Organisations</b>	<b>370</b>	<b>398</b>	<b>451</b>	<b>278</b>	<b>278</b>	<b>278</b>	<b>1 927</b>	<b>2 043</b>	<b>2 165</b>
<u>Cash Transfers to Groups of Individuals</u> <i>Low income house-hold subsidies</i>									
Low income house-hold subsidies	28 084	35 458	38 298	41 092	41 390	41 390	46 570	52 624	60 079
<b>Total Cash Transfers To Groups Of Individuals:</b>	<b>28 084</b>	<b>35 458</b>	<b>38 298</b>	<b>41 092</b>	<b>41 390</b>	<b>41 390</b>	<b>46 570</b>	<b>52 624</b>	<b>60 079</b>
<b>TOTAL CASH TRANSFERS AND GRANTS</b>	<b>28 454</b>	<b>35 856</b>	<b>38 749</b>	<b>41 370</b>	<b>41 688</b>	<b>41 688</b>	<b>48 497</b>	<b>54 667</b>	<b>62 244</b>
<u>Non-Cash Transfers to other municipalities</u> <i>Insert description</i>									
<b>Total Non-Cash Transfers To Municipalities:</b>	-	-	-	-	-	-	-	-	-
<u>Non-Cash Transfers to Entities/Other External Mechanisms</u> <i>Insert description</i>									
<b>Total Non-Cash Transfers To Entities/Em's:</b>	-	-	-	-	-	-	-	-	-
<u>Non-Cash Transfers to other Organs of State</u> <i>Insert description</i>									
<b>Total Non-Cash Transfers To Other Organs Of State:</b>	-	-	-	-	-	-	-	-	-
<u>Non-Cash Grants to Organisations</u> <i>Insert description</i>									
<b>Total Non-Cash Grants To Organisations</b>	-	-	-	-	-	-	-	-	-
<u>Grants to Individuals</u> <i>Insert description</i>									
<b>Total Non-Cash Grants To Groups Of Individuals:</b>	-	-	-	-	-	-	-	-	-
<b>TOTAL NON-CASH TRANSFERS AND GRANTS</b>	-	-	-	-	-	-	-	-	-
<b>TOTAL TRANSFERS AND GRANTS</b>	<b>28 454</b>	<b>35 856</b>	<b>38 749</b>	<b>41 370</b>	<b>41 688</b>	<b>41 688</b>	<b>48 497</b>	<b>54 667</b>	<b>62 244</b>



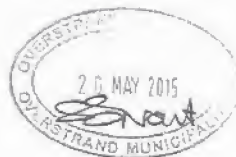
WC032 Overstrand - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand	A	B	C	D	E	F	G	H	I
<b>Councillors (Political Office Bearers plus Other)</b>									
Basic Salaries and Wages	6 717	7 084	7 415	7 968	7 911	7 911	8 037	8 527	9 047
Pension and UIF Contributions					-	-			
Medical Aid Contributions					-	-			
Motor Vehicle Allowance					-	-			
Cellphone Allowance			518	548	605	605	638	665	694
Housing Allowances					-	-			
Other benefits and allowances					-	-			
<b>Sub Total - Councillors</b>	<b>6 717</b>	<b>7 084</b>	<b>7 933</b>	<b>8 516</b>	<b>8 516</b>	<b>8 516</b>	<b>8 674</b>	<b>9 192</b>	<b>9 741</b>
<b>Senior Managers of the Municipality</b>									
Basic Salaries and Wages	7 082	9 100	8 566	9 190	9 190	9 190	9 735	10 311	10 938
Pension and UIF Contributions					-	-			
Medical Aid Contributions					-	-			
Overtime					-	-			
Performance Bonus					-	-			
Motor Vehicle Allowance					-	-			
Cellphone Allowance	128	139	139	163	163	163	154	163	172
Housing Allowances					-	-			
Other benefits and allowances		3			-	-			
Payments in lieu of leave		82			-	-			
Long service awards					-	-			
Post-retirement benefit obligations					-	-			
<b>Sub Total - Senior Managers of Municipality</b>	<b>7 210</b>	<b>9 324</b>	<b>8 706</b>	<b>9 354</b>	<b>9 354</b>	<b>9 354</b>	<b>9 889</b>	<b>10 473</b>	<b>11 110</b>
<b>Other Municipal Staff</b>									
Basic Salaries and Wages	128 414	143 857	158 385	175 220	170 729	170 729	189 457	198 264	210 347
Pension and UIF Contributions	21 014	24 051	25 104	29 321	29 321	29 321	31 735	33 972	35 725
Medical Aid Contributions	7 394	8 179	8 828	11 463	11 463	11 463	11 618	12 327	13 079
Overtime	12 630	12 428	14 379	13 913	13 913	13 913	15 048	15 963	16 937
Performance Bonus	-	-	-	-	-	-	-	-	-
Motor Vehicle Allowance	8 240	9 178	9 750	11 760	11 760	11 760	11 314	11 025	11 174
Cellphone Allowance	725	1 785	1 402	1 474	1 474	1 474	1 348	1 434	1 434
Housing Allowances	1 023	1 048	967	1 018	1 018	1 018	1 002	1 008	1 008
Other benefits and allowances	10 467	9 254	10 083	11 118	11 118	11 118	10 621	10 965	11 233
Provision for Accrued Leave		2 056	1 659	2 350	2 350	2 350	725	773	819
Provision for Long service awards		690	3 587	1 200	1 291	1 291	1 802	2 028	2 815
Provision for Bonus		-	-		500	500	455	482	511
Post-retirement benefit obligations	13 467	10 795	17 799	11 875	11 925	11 925	6 570	8 973	7 391
<b>Sub Total - Other Municipal Staff</b>	<b>200 729</b>	<b>223 317</b>	<b>251 939</b>	<b>270 713</b>	<b>268 883</b>	<b>266 863</b>	<b>281 705</b>	<b>294 934</b>	<b>312 473</b>
<b>Total Parent Municipality</b>	<b>214 656</b>	<b>238 728</b>	<b>268 577</b>	<b>288 582</b>	<b>284 732</b>	<b>284 732</b>	<b>300 268</b>	<b>314 600</b>	<b>333 324</b>
<b>TOTAL MANAGERS AND STAFF</b>	<b>207 939</b>	<b>231 642</b>	<b>260 645</b>	<b>280 066</b>	<b>276 217</b>	<b>276 217</b>	<b>291 583</b>	<b>305 408</b>	<b>323 583</b>



WC032 Overstrand - Supporting Table SA23 Salaries, allowances &amp; benefits (political office bearers/councillors/senior managers)

<b>Councillors</b>						
Speaker		609 285		25 512		634 797
Chief Whip						-
Executive Mayor		761 605		25 512		787 117
Deputy Executive Mayor		609 285		25 512		634 797
Executive Committee		1 713 615		76 536		1 790 151
Total for all other councillors		4 342 886		484 728		4 827 614
<b>Total Councillors</b>	-	<b>8 036 676</b>	-	<b>637 800</b>		<b>8 674 476</b>
<b>Senior Managers of the Municipality</b>						
Municipal Manager (MM)		1 768 175		22 872		1 791 047
Chief Finance Officer		1 613 208		19 872		1 633 080
Management Services		1 212 924		22 872		1 235 796
Community Services		1 345 353		22 872		1 368 225
Infrastructure & Planning		1 624 404		22 872		1 647 276
LED		1 100 184		19 872		1 120 056
<i>List of each official with packages &gt;= senior manager</i>						
Protection Services		1 070 390		22 872		1 093 262
<b>Total Senior Managers of the Municipality</b>	-	<b>9 734 618</b>	-	<b>154 104</b>	-	<b>9 888 722</b>
<b>TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION</b>	-	<b>17 771 294</b>	-	<b>791 904</b>	-	<b>18 563 198</b>



WC032 Overstrand - Supporting Table SA24 Summary of personnel numbers

Summary of Personnel Numbers	2013/14			Current Year 2014/15			Budget Year 2015/16		
Number	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees
<b>Municipal Council and Boards of Municipal Entities</b>									
Councillors (Political Office Bearers plus Other Councillors)	25	7		25	7		25	7	
Board Members of municipal entities									
<b>Municipal employees</b>									
Municipal Manager and Senior Managers	7	7		7	7		7	7	-
Other Managers	57	49		57	49		61	54	-
Professionals	53	52	-	54	52	-	54	40	-
Finance	22	21		22	21		23	19	-
Spaiaatown planning	8	8		8	8		8	7	-
Information Technology									
Roads	8	8		8	8		8	8	-
Electricity	5	5		5	5		5	1	-
Water	4	4		4	4		4	3	-
Sanitation	3	3		3	3		3	3	-
Refuse	3	3		3	3		3	3	-
Other									
Technicians	213	203	-	213	203	-	215	194	-
Finance									
Spaiaatown planning	6	6		6	6		6	5	-
Information Technology	3	3		3	3		4	3	-
Roads	3	2		3	2		3	3	-
Electricity	22	18		22	18		22	15	-
Water	4	2		4	2		5	4	-
Sanitation	6	4		6	4		6	5	-
Refuse	3	3		3	3		3	3	-
Other	166	165		166	165		166	155	-
Clerks (Clerical and administrative)	189	177		189	177		188	162	-
Service and sales workers	54	51		54	51		114	105	-
Skilled agricultural and fishery workers									
Craft and related trades									
Plant and Machine Operators	42	23		42	23		45	40	-
Elementary Occupations	487	474		487	474		492	477	-
<b>TOTAL PERSONNEL NUMBERS</b>	<b>1 127</b>	<b>1 043</b>	<b>-</b>	<b>1 128</b>	<b>1 042</b>	<b>-</b>	<b>1 198</b>	<b>1 087</b>	<b>-</b>
% increase				0.1%			6.3%	4.2%	
<b>Total municipal employees headcount</b>	<b>1 102</b>	<b>1 036</b>		<b>1 102</b>	<b>1 036</b>		<b>1 174</b>	<b>1 080</b>	
Finance personnel headcount	126	116		126	11		111	116	
Human Resources personnel headcount	19	18		19	18		18	18	





Description	Budget Year 2015/16												Medium Term Revenue and Expenditure Framework	
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2015/16	Budget Year 2017/18
<b>Revenue By Source</b>														
Property rates	10 127	12 905	12 889	12 969	12 899	12 909	12 945	13 047	12 958	13 174	12 994	12 889	162 730	184 573
Service charges - penalties & collection charges	69	84	79	67	68	66	66	67	66	65	62	132	891	1 078
Service charges - electricity revenue	33 517	32 583	30 465	27 374	26 424	26 463	23 222	20 417	26 941	28 802	29 980	32 547	338 877	407 747
Service charges - water revenue	7 011	5 819	7 016	7 017	9 158	10 198	12 449	9 788	9 644	9 144	7 133	7 588	102 045	133 691
Service charges - sanitation revenue	4 635	4 371	4 977	4 823	5 507	5 968	7 389	5 759	6 106	5 365	5 270	6 226	68 375	78 010
Service charges - refuse revenue	5 026	4 939	4 956	5 019	5 020	5 020	4 791	4 978	4 982	4 982	4 965	4 746	59 488	66 849
Service charges - other	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rental of facilities and equipment	953	736	662	765	1 555	1 375	993	705	989	511	412	2 152	11 859	14 176
Interest earned - external investments	578	536	594	627	598	600	480	556	438	558	623	156	6 348	5 516
Interest earned - outstanding debtors	205	227	209	210	189	206	203	210	203	204	209	377	2 437	2 916
Dividends received	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fines	514	445	607	518	428	959	643	1 022	656	901	676	24 544	31 869	33 763
Licences and permits	182	201	141	169	157	142	132	201	102	192	200	234	2 190	2 408
Agency services	208	196	170	246	253	217	214	207	204	237	239	519	2 870	3 354
Transfers recognised - operational	22 602	158	482	154	409	29 324	518	3 753	14 359	13 542	1 427	3 684	90 324	107 886
Other revenue	891	1 192	1 394	1 510	1 678	1 833	1 449	1 237	1 567	1 578	1 342	880	16 643	19 812
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>91 459</b>	<b>84 680</b>	<b>84 601</b>	<b>81 709</b>	<b>84 161</b>	<b>85 308</b>	<b>85 887</b>	<b>61 987</b>	<b>79 277</b>	<b>79 306</b>	<b>85 384</b>	<b>101 477</b>	<b>893 635</b>	<b>1 028 499</b>
<b>Expenditure By Type</b>														
Employee related costs	19 882	20 717	21 109	20 529	32 182	31 168	24 611	26 983	22 955	20 650	21 252	24 516	291 593	373 863
Remuneration of councillors	-	-	-	-	-	-	-	-	-	-	-	-	8 674	9 741
Debt repayment	-	-	-	-	-	-	-	-	-	-	-	-	22 792	22 792
Depreciation & asset impairment	10 128	10 128	10 128	10 128	10 128	10 128	10 054	10 054	10 119	10 119	10 119	110	111 362	118 043
Finance charges	149	-	-	5 174	-	9 592	-	-	127	8 569	-	22 883	46 895	46 780
Bulk purchases	3 175	24 350	24 722	10 897	12 885	21 339	16 165	14 933	17 768	21 238	15 642	10 945	199 573	221 138
Other materials	2 107	3 076	4 536	5 005	4 985	6 375	4 334	3 857	4 735	4 735	6 059	8 793	51 861	53 693
Contracted services	987	6 785	3 716	6 844	5 451	4 693	5 789	8 076	9 559	21 376	12 851	40 604	125 372	135 442
Transfers and grants	3 671	3 940	3 941	3 693	3 745	4 148	3 460	4 560	3 276	3 259	3 264	12 020	48 497	54 607
Other expenditure	2 844	4 311	4 621	5 277	6 177	5 105	9 255	4 887	3 253	4 665	3 925	4 170	58 021	65 886
<b>Total Expenditure</b>	<b>42 943</b>	<b>73 489</b>	<b>73 496</b>	<b>68 034</b>	<b>78 274</b>	<b>91 439</b>	<b>72 451</b>	<b>70 551</b>	<b>71 646</b>	<b>161 138</b>	<b>73 877</b>	<b>146 943</b>	<b>964 529</b>	<b>1 038 493</b>
<b>Surplus/(Deficit)</b>	<b>48 516</b>	<b>(8 819)</b>	<b>(8 895)</b>	<b>(6 325)</b>	<b>(13 114)</b>	<b>(6 131)</b>	<b>(16 564)</b>	<b>(8 563)</b>	<b>7 632</b>	<b>(22 832)</b>	<b>(12 493)</b>	<b>(45 466)</b>	<b>(65 894)</b>	<b>(69 883)</b>
Transfers recognised - capital	2 890	2 024	1 534	3 010	4 634	7 266	3 555	2 505	4 399	7 412	5 313	1 000	1 000	73 861
Contributions recognised - capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contribution recognised - other	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>51 406</b>	<b>(6 795)</b>	<b>(7 361)</b>	<b>(3 315)</b>	<b>(7 480)</b>	<b>9 136</b>	<b>(3 109)</b>	<b>(6 059)</b>	<b>12 031</b>	<b>(14 420)</b>	<b>(3 181)</b>	<b>(25 466)</b>	<b>(5 140)</b>	<b>(3 023)</b>
Transfers recognised - other	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contribution recognised - other	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Surplus/(Deficit) after all transfers &amp; contributions</b>	<b>51 406</b>	<b>(6 795)</b>	<b>(7 361)</b>	<b>(3 315)</b>	<b>(7 480)</b>	<b>9 136</b>	<b>(3 109)</b>	<b>(6 059)</b>	<b>12 031</b>	<b>(14 420)</b>	<b>(3 181)</b>	<b>(25 466)</b>	<b>(5 140)</b>	<b>(3 023)</b>



Description	Budget Year 2015/16												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
Revenue by Vote															
Vote 1 - Council	22 355	34	28	493	55	19 038	34	31	16 545	6 117	36	41	64 868	72 470	79 794
Vote 2 - Municipal Manager	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vote 3 - Management Services	62	25	4	114	35	5	61	21	19	60	32	553	991	1 018	1 094
Vote 4 - Finance	19 070	16 554	16 619	16 755	16 155	16 456	16 509	7 810	13 489	13 960	14 022	12 722	180 339	191 921	204 336
Vote 5 - Community Services	17 193	23 302	19 451	17 090	7 592	23 856	22 821	21 132	23 031	27 834	24 744	45 911	272 567	284 007	300 536
Vote 6 - Local Economic Development	25	333	227	355	36	546	125	63	83	521	260	514	3 051	1 573	1 730
Vote 7 - Infrastructure & Planning	31 871	23 715	28 663	25 850	39 015	34 600	24 854	31 474	28 930	28 341	25 064	80 048	399 527	443 945	473 675
Vote 8 - Protection Services	879	758	609	1 603	952	806	1 281	1 451	1 181	1 453	1 225	26 040	37 676	35 164	40 802
Total Revenue by Vote	91 459	84 880	84 601	81 709	84 181	93 308	65 637	61 987	79 277	79 306	85 384	165 831	959 389	1 034 046	1 101 971
Expenditure by Vote to be appropriated															
Vote 1 - Council	4 837	4 958	4 924	5 211	6 080	6 642	4 970	3 456	5 108	5 997	4 454	14 850	71 456	78 840	87 821
Vote 2 - Municipal Manager	274	143	264	504	357	564	449	429	316	449	383	317	4 489	3 843	3 855
Vote 3 - Management Services	4 416	4 813	4 778	2 458	3 055	4 931	2 611	3 458	4 467	656	2 956	4 621	43 327	45 629	48 384
Vote 4 - Finance	2 992	3 557	10 100	10 038	8 188	8 271	6 188	4 929	2 356	3 679	3 407	5 479	69 750	71 154	75 197
Vote 5 - Community Services	10 130	27 005	21 285	25 854	32 279	46 053	34 431	33 147	21 856	42 037	32 455	14 869	341 492	371 463	392 545
Vote 6 - Local Economic Development	306	630	498	402	519	415	545	529	1 383	611	892	1 668	8 721	7 464	7 931
Vote 7 - Infrastructure & Planning	18 078	29 032	28 346	19 820	21 015	23 432	18 876	20 738	32 363	42 755	25 711	75 545	355 793	367 030	407 279
Vote 8 - Protection Services	2 310	3 053	3 281	3 647	4 101	3 041	4 375	3 827	3 782	5 153	3 450	29 373	69 453	72 280	75 200
Total Expenditure by Vote	42 943	73 889	73 466	68 034	76 274	83 439	72 465	70 551	71 646	101 236	73 877	146 983	964 529	1 037 463	1 098 262
Surplus/(Deficit) before assoc.	48 516	(8 919)	(8 895)	(8 325)	(12 114)	1 869	(8 764)	(8 563)	7 632	(22 030)	(8 403)	18 847	(5 140)	(3 395)	3 679
Fraction	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Attributable to minorities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share of surplus/(deficit) of associate	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit)	48 516	(8 919)	(8 895)	(8 325)	(12 114)	1 869	(8 764)	(8 563)	7 632	(22 030)	(8 403)	18 847	(5 140)	(3 395)	3 679



WC032 Overstrand - Supporting Table SA27 Budgeted monthly revenue and expenditure (standard classification)

Description	Budget Year 2015/16												Medium Term Revenue and Expenditure Framework	
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2015/16	Budget Year +2 2017/18
<b>Revenue - Standard</b>														
Governance and administration	42 002	18 442	17 074	18 348	17 434	20 171	17 412	8 403	27 833	21 084	14 673	25 520	230 994	202 533
Excise and council	22 335	38	31	69	56	22 114	35	74	13 502	6 113	37	9 305	64 861	79 884
Budget and treasury office	19 016	16 419	16 819	16 756	16 435	16 652	16 609	7 810	13 409	13 960	14 002	12 722	180 338	204 338
Corporate services	951	349	429	1 061	943	482	827	319	442	874	614	3 462	10 795	8 332
Community and public safety	9 059	2 257	1 731	4 284	2 663	4 786	3 824	4 773	8 833	9 341	10 594	35 301	107 840	118 809
Community and social services	432	425	337	568	321	268	268	135	654	379	781	274	4 037	9 004
Sport and recreation	314	354	340	425	263	629	665	1 043	414	607	577	5 298	11 942	14 766
Public safety	879	753	698	1 031	862	1 281	1 281	7 451	1 101	1 453	1 223	26 040	31 076	40 802
Housing	7 434	720	444	2 512	617	2 158	1 713	6 139	7 385	8 894	8 010	3 690	47 567	53 793
Health														
Economic and environmental services	275	1 179	1 039	1 037	301	1 687	583	1 336	816	1 022	1 797	7 748	20 033	13 254
Planning and development	252	703	560	608	267	1 296	394	308	516	735	494	2 725	9 043	8 572
Road transport	12	489	492	791	27	367	173	1 043	300	886	1 303	5 024	10 890	4 200
Environmental protection	11							25	0	0	0	0	101	121
Treasury services	40 032	44 402	41 753	37 456	43 732	59 422	44 865	45 435	40 993	47 373	38 328	97 261	581 918	625 966
Electricity	22 512	26 516	27 125	16 397	16 378	34 379	20 332	30 999	21 513	21 209	20 954	77 676	346 361	413 402
Water	7 305	8 991	8 004	70 148	13 759	12 643	12 841	1 179	8 881	8 865	7 336	7 039	106 211	113 606
Waste water management	4 721	4 932	5 254	6 823	8 416	7 995	6 905	7 817	6 259	6 340	5 662	776	69 402	77 229
Waste management	4 388	4 300	4 300	4 383	4 576	4 425	4 147	4 339	4 340	4 380	4 324	11 271	58 544	66 505
Other														
<b>Total Revenue - Standard</b>	<b>91 459</b>	<b>64 680</b>	<b>64 081</b>	<b>61 709</b>	<b>64 161</b>	<b>55 308</b>	<b>65 887</b>	<b>61 987</b>	<b>79 277</b>	<b>79 306</b>	<b>65 384</b>	<b>165 631</b>	<b>593 349</b>	<b>1 101 971</b>
<b>Expenditure - Standard</b>														
Governance and administration	9 308	21 846	18 275	21 399	21 504	26 480	14 258	14 298	14 397	13 679	16 018	44 459	237 278	248 213
Excise and council	5 813	6 254	6 370	6 066	8 208	15 706	8 023	4 773	2 260	8 063	6 684	9 985	49 565	68 547
Budget and treasury office	2 582	3 857	10 160	10 133	8 768	8 271	0 168	4 929	2 350	3 679	3 497	5 479	69 740	75 159
Corporate services	801	11 736	7 605	4 025	6 463	3 291	1 468	4 084	3 016	1 397	5 837	28 995	74 963	83 305
Community and public safety	5 765	7 395	7 355	4 684	40 154	7 838	8 009	11 321	7 821	35 076	7 508	25 323	141 933	168 237
Community and social services	2 017	2 391	2 330	2 560	3 352	2 417	1 809	5 172	2 190	2 620	2 300	2 569	31 368	33 034
Sport and recreation	1 140	1 412	1 416	1 153	764	972	2 062	1 626	1 479	1 071	1 334	791	18 220	20 560
Public safety	2 310	3 053	3 281	3 841	4 761	3 041	4 375	3 827	3 762	5 153	3 650	25 373	69 463	75 202
Housing	288	509	328	957	678	397	563	695	370	25 633	394	7 431	22 802	15 249
Health														
Economic and environmental services	8 909	8 171	9 260	10 158	19 933	12 270	11 027	11 023	15 997	14 282	14 668	5 339	132 048	157 946
Planning and development	1 172	2 553	3 014	2 772	4 274	3 017	2 382	3 015	9 423	3 330	3 151	1 381	40 308	40 887
Road transport	4 855	5 287	5 979	7 600	5 951	9 781	0 273	7 549	6 082	17 570	10 919	1 962	84 766	89 663
Environmental protection	327	350	367	338	709	402	453	469	482	382	586	1 996	6 952	7 217
Treasury services	20 944	34 117	37 667	28 240	31 483	46 641	39 157	33 800	35 180	36 299	35 644	71 862	453 272	492 997
Electricity	12 108	25 285	29 520	14 822	17 485	29 094	28 003	22 514	15 075	20 917	18 779	21 664	252 278	287 586
Water	3 916	4 723	4 821	6 711	5 807	7 970	5 560	5 199	10 257	7 781	10 104	5 340	28 253	41 294
Waste water management	3 469	4 034	4 043	4 604	5 046	6 653	2 932	4 003	3 600	4 731	4 803	15 874	83 478	85 100
Waste management	1 114	2 074	2 217	2 124	2 585	2 338	2 656	2 004	2 244	2 870	2 313	28 984	34 264	41 294
Other														
<b>Total Expenditure - Standard</b>	<b>42 843</b>	<b>73 449</b>	<b>73 496</b>	<b>68 034</b>	<b>76 214</b>	<b>93 438</b>	<b>72 451</b>	<b>70 451</b>	<b>71 646</b>	<b>101 336</b>	<b>73 017</b>	<b>146 943</b>	<b>984 529</b>	<b>1 099 782</b>
Surplus/(Deficit) before assoc.	<b>48 516</b>	<b>(8 809)</b>	<b>(8 895)</b>	<b>(6 325)</b>	<b>(12 114)</b>	<b>1 683</b>	<b>(6 764)</b>	<b>(8 563)</b>	<b>7 632</b>	<b>(22 030)</b>	<b>(8 493)</b>	<b>18 647</b>	<b>(5 140)</b>	<b>3 079</b>
Share of surplus/(deficit) of associates														
<b>Surplus/(Deficit)</b>	<b>48 516</b>	<b>(8 819)</b>	<b>(8 895)</b>	<b>(6 325)</b>	<b>(12 114)</b>	<b>1 683</b>	<b>(6 764)</b>	<b>(8 563)</b>	<b>7 632</b>	<b>(22 030)</b>	<b>(8 493)</b>	<b>18 647</b>	<b>(5 140)</b>	<b>3 079</b>

OVERSTRAND  
20 MAY 2015  
OVERSTRAND DISTRICT

Description	Budget Year 2015/16												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
8 thousand															
<b>Multyear expenditure to be appropriated</b>															
Vote 1 - Council															
Vote 2 - Municipal Manager															
Vote 3 - Management Services															
Vote 4 - Finance															
Vote 5 - Community Services															
Vote 6 - Local Economic Development															
Vote 7 - Infrastructure & Planning															
Vote 8 - Protection Services															
<b>Capital multi-year expenditure sub-total</b>															
<b>Single-year expenditure to be appropriated</b>															
Vote 1 - Council															
Vote 2 - Municipal Manager															
Vote 3 - Management Services															
Vote 4 - Finance															
Vote 5 - Community Services															
Vote 6 - Local Economic Development															
Vote 7 - Infrastructure & Planning															
Vote 8 - Protection Services															
<b>Capital single-year expenditure sub-total</b>															
<b>Total Capital Expenditure</b>															



R thousand	Description	Budget Year 2015/16												Medium Term Revenue and Expenditure Framework		
		Budget Year 2015/16												Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June			
Capital Expenditure - Standard	<b>Governance and administration</b>															
	Executive and council	-	126	267	40	-	40	28	77	20	429	1 444	177	2 648	3 730	-
	Budget and treasury office	-	126	267	40	-	40	28	77	20	429	1 444	-	-	-	-
	Corporate services	-	451	580	2 733	2 871	2 731	36	2 533	2 363	1 863	1 701	377	2 688	3 730	-
	<b>Community and public safety</b>															
	Community and social services	-	301	436	560	648	500	36	430	60	110	138	287	38 788	45 550	55 174
	Sport and recreation	-	150	150	650	720	728	-	600	800	50	10	2 123	3 523	4 000	4 000
	Public safety	-	-	-	-	-	-	-	-	-	-	-	-	5 981	6 800	6 800
	Firefighting	-	-	-	-	-	-	-	-	-	-	-	-	295	-	-
	Health	-	-	-	1 503	1 503	1 503	-	1 503	1 503	1 503	1 503	19 451	29 973	34 750	44 374
	<b>Economic and environmental services</b>															
	Planning and development	100	-	900	1 130	1 537	1 500	371	780	1 243	1 853	1 857	918	-	-	-
	Road transport	100	-	900	1 130	1 537	1 500	371	780	1 238	1 853	1 853	913	12 128	4 900	4 000
	<b>Trading services</b>															
	Electricity	-	142	707	5 511	5 523	4 660	570	3 761	6 945	5 541	6 206	10 704	48 370	41 326	44 387
Other	Water	-	142	569	510	1 321	410	420	931	2 851	2 841	2 821	9 122	21 726	14 000	16 000
	Waste water management	-	-	207	4 100	3 752	3 600	50	1 430	1 194	800	1 250	64	16 300	14 726	15 727
	Waste management	-	-	-	600	950	650	100	1 400	2 000	1 900	2 125	1 519	11 244	12 600	12 600
	Other	-	-	-	-	-	-	-	-	-	-	-	-	10	-	-
	<b>Total Capital Expenditure - Standard</b>	100	719	2 454	9 714	9 931	8 931	1 005	7 151	8 671	9 985	11 048	33 904	103 914	94 606	103 561
Funded by:	<b>National Government</b>															
	Provincial Government	100	352	1 541	3 000	3 300	2 700	351	2 530	4 719	3 864	4 364	3 986	30 347	28 126	29 187
	District Municipality	-	266	300	1 953	2 151	2 003	16	1 903	1 503	1 503	1 503	19 905	33 007	34 750	44 374
	Other taxpayers and grants	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Transfers recognised - capital</b>															
	Public contributions & donations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Borrowing	100	658	1 841	4 853	5 451	4 703	367	4 433	5 722	5 387	5 867	24 891	64 354	60 879	73 561
	Internally generated funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Total Capital Funding</b>	100	719	2 454	9 714	9 931	8 931	1 005	7 151	9 671	9 985	11 048	33 904	103 914	94 606	103 561





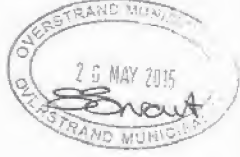
Revenue and Expenditure

[illegible]



WC032 Overstrand - Supporting Table SA32 List of external mechanisms

External mechanism	Yrs/ Mths	Period of agreement 1:		Service provided	Expiry date of service delivery agreement or contract	Monetary value of agreement 2:
		Number				R thousand
Name of organisation  Outsourcing of sub function solid waste - Overstrand Municipality Outsourcing of sub function solid waste - Overstrand Municipality  Waste Overstrand make use of contractual agreements to support the implementation of core function, but the definition of outsourcing do not apply to the other contracts entered into, due to ownership that is kept within the organization Outsourcing of sub function: Waste water treatment works in Overstrand (Section 23 process in progress) SCM process to be followed	Mths Mths	10/ 96	Outsourcing of sub function solid waste Outsourcing of sub function solid waste	30 October 2022 01 May 2017	126 345 18 651	
	Yrs	15	Outsourcing of sub function waste water treatment works	Estimated date June 2030	To be determined	

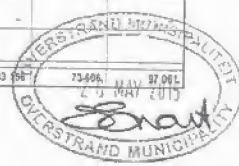


R thousand	Description	Preceding Years	Current Year 2014/15	2015/16 Medium Term Revenue & Expenditure Framework	Budget Year +1 2016/17	Budget Year +2 2017/18	Forecast 2018/19 Estimate	Forecast 2019/20 Estimate	Forecast 2020/21 Estimate	Forecast 2021/22 Estimate	Forecast 2022/23 Estimate	Forecast 2023/24 Estimate	Forecast 2024/25 Estimate	Total Contract Value
	<b>Parent Municipality: Revenue Obligation By Contract</b>	<b>Total</b>	<b>Original Budget</b>	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>
	Contract 1: SC12/2011 Leasing for the operation of illuminated street signs in the Overstrand Municipality area. Term of contract 01/07/2012 until 31/05/2022		194	204	214	224	236	247	260	273	283			2 114
	Contract 2													-
	Contract 3 etc													-
	<b>Total Operating Revenue Implication</b>		194	204	214	224	236	247	260	273	283			2 114
	<b>Expenditure Obligation By Contract</b>													
	Contract 1: SC26/16/2010 Operation of the mechanised material recovery facility at the Hermanus solid waste transfer station. Term of contract 01/12/2013 until 30/10/2022		1 130	1 216	1 309	1 409	1 519	1 639	1 770	1 912				11 904
	Contract 2: SC26/2010 Operation of the Gansbaai landfill and public drop-offs at Greater Gansbaai and Stanford Term of contract 01/02/2010 until 01/05/2017		3 388	2 945	3 323	3 697	1 738							15 085
	Contract 3 etc													-
	<b>Total Operating Expenditure Implication</b>		4 518	4 165	4 631	5 107	3 258	1 639	1 770	1 912				26 989
	<b>Capital Expenditure Obligation By Contract</b>													
	Contract 1													-
	Contract 2													-
	Contract 3 etc													-
	<b>Total Capital Expenditure Implication</b>		-	-	-	-	-	-	-	-	-	-	-	-
	<b>Total Parent Expenditure Implication</b>		4 518	4 165	4 631	5 107	3 258	1 639	1 770	1 912				26 989



WC032 Overstrand - Supporting Table SA34a Capital expenditure on new assets by asset class

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>Capital expenditure on new assets by Asset Class/Sub-class</b>									
<b>Infrastructure</b>	133 045	108 252	58 511	34 500	34 003	34 003	44 873	24 326	41 887
Infrastructure - Road transport	12 754	15 578	9 203	800	1 332	1 332	14 978	5 000	5 000
Roads, Pavements & Bridges	5 477	10 720	9 160	-	-	-	12 103	4 000	4 000
Storm water	7 278	4 858	43	900	1 332	1 332	2 877	1 000	1 000
Infrastructure - Electricity	30 061	22 203	24 160	13 900	13 900	13 900	21 726	8 500	14 500
Generation	-	-	-	-	-	-	-	-	-
Transmission & Reticulation	30 061	22 203	24 160	13 900	13 900	13 900	21 726	8 500	14 500
Street Lighting	-	-	-	-	-	-	-	-	-
Infrastructure - Water	57 384	48 634	7 300	-	580	580	4 737	4 725	11 787
Dams & Reservoirs	-	-	-	-	-	-	-	-	6 000
Water purification	57 384	48 634	-	-	-	-	-	-	-
Reticulation	-	-	7 300	-	580	580	4 737	4 725	5 787
Infrastructure - Sanitation	32 650	18 478	8 449	9 600	8 892	8 892	3 429	6 100	10 600
Reticulation	-	-	-	-	-	-	-	-	-
Sewerage purification	32 650	18 478	8 449	9 600	8 892	8 892	3 429	6 100	10 600
Infrastructure - Other	196	5 359	1 400	10 200	9 300	9 300	10	-	-
Waste Management	196	5 359	1 400	10 200	9 300	9 300	10	-	-
Transportation	-	-	-	-	-	-	-	-	-
Gas	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>Community</b>	8 183	20 997	13 896	18 258	38 167	38 167	35 811	45 550	58 174
Parks & gardens	-	2 136	-	-	-	-	-	-	-
Sportsfields & stadia	5 538	1 964	5 471	151	1 051	1 051	1 823	6 800	6 800
Swimming pools	-	-	-	-	-	-	-	-	-
Community halls	-	-	-	-	-	-	-	-	-
Libraries	-	3	-	2 000	2 000	2 000	3 080	-	-
Recreational facilities	-	-	-	-	-	-	-	-	-
Fire, safety & emergency	-	-	-	-	-	-	295	-	-
Security and policing	645	223	-	-	-	-	-	-	-
Bussets	-	-	-	-	-	-	-	-	-
Offices	-	-	-	-	-	-	-	-	-
Museums & Art Galleries	-	-	-	-	-	-	-	-	-
Cemeteries	-	-	-	-	-	-	-	-	-
Social rental housing	-	16 851	4 943	12 480	31 521	31 521	29 973	34 750	44 374
Other	-	-	3 482	3 635	3 595	3 595	440	4 000	4 000
<b>Heritage assets</b>	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>Investment properties</b>	-	-	795	-	-	-	-	-	-
Housing development	-	-	-	-	-	-	-	-	-
Other	-	-	795	-	-	-	-	-	-
<b>Other assets</b>	23 118	9 038	18 887	16 815	17 776	17 776	2 673	3 730	-
General vehicles	6 800	4 690	4 690	10 525	10 525	10 525	120	3 000	-
Specialised vehicles	-	-	-	-	-	-	-	-	-
Plant & equipment	-	-	-	-	-	-	-	-	-
Computers - hardware/equipment	3 839	-	961	2 548	2 682	2 682	2 528	-	-
Furniture and other office equipment	148	-	-	2 508	2 369	2 369	-	730	-
Abattoirs	-	-	-	-	-	-	-	-	-
Markets	-	-	-	-	-	-	-	-	-
Civic Land and Buildings	-	-	-	-	-	-	-	-	-
Other Buildings	12 332	-	518	-	-	-	-	-	-
Other Land	-	-	9 075	-	-	-	-	-	-
Surplus Assets - (Investment or Inventory)	-	8 038	-	-	-	-	-	-	-
Other	-	-	3 461	1 235	2 200	2 200	25	-	-
<b>Agricultural assets</b>	-	-	-	-	-	-	-	-	-
<b>Biological assets</b>	-	-	-	-	-	-	-	-	-
<b>Intangibles</b>	928	1 330	-	-	-	-	-	-	-
Computers - software & programming	928	1 330	-	-	-	-	-	-	-
Other (list sub-class)	-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure on new assets</b>	183 275	139 817	87 899	89 581	89 946	89 946	83 987	73 406	87 061



WC032 Overstrand - Supporting Table SA34b Capital expenditure on the renewal of existing assets by asset class

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
<b>R thousands</b>									
<b>Capital expenditure on renewal of existing assets by Asset Class/Sub-class</b>									
<b>Infrastructure</b>	-	131	29 539	25 300	26 184	26 384	16 600	21 000	8 500
Infrastructure - Road transport	-	131	6 892	6 400	6 300	6 300	-	-	-
Roads, Pavements & Bridges	-	-	6 892	6 400	6 300	6 300	-	-	-
Stormwater	-	131	-	-	-	-	-	-	-
Infrastructure - Electricity	-	-	12 965	3 100	3 100	3 100	-	5 500	1 500
Generation	-	-	-	-	-	-	-	-	-
Transmission & Distribution	-	-	12 965	3 100	3 100	3 100	-	5 500	1 500
Street Lighting	-	-	-	-	-	-	-	-	-
Infrastructure - Water	-	-	10 331	12 400	15 805	15 805	11 653	10 000	4 000
Dams & Reservoirs	-	-	-	-	-	-	-	-	-
Water purification	-	-	-	-	-	-	-	-	-
Potable water	-	-	10 331	12 400	15 805	15 805	11 653	10 000	4 000
Infrastructure - Sanitation	-	-	1 711	2 800	3 179	3 179	4 947	5 500	1 000
Refuse collection	-	-	-	-	-	-	-	-	-
Sewerage purification	-	-	1 711	2 800	3 179	3 179	4 947	5 500	1 000
Infrastructure - Other	-	-	1 641	-	-	-	-	-	-
Waste Management	-	-	1 641	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-	-
Gas	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>Community</b>	-	756	5 698	2 938	4 454	4 454	4 358	-	-
Parks & gardens	-	-	-	-	-	-	-	-	-
Sportsfields & facilities	-	-	225	2 938	1 565	1 565	4 358	-	-
Swimming pools	-	-	-	-	-	-	-	-	-
Community halls	-	-	-	-	-	-	-	-	-
Libraries	-	-	-	-	-	-	-	-	-
Recreation facilities	-	-	-	-	-	-	-	-	-
Fire, safety & emergency	-	-	-	-	-	-	-	-	-
Security and policing	-	-	-	-	-	-	-	-	-
Bus stop	-	-	-	-	-	-	-	-	-
Clinics	-	-	-	-	-	-	-	-	-
Museums & Art Galleries	-	-	-	-	-	-	-	-	-
Commissaries	-	756	-	-	-	-	-	-	-
Social rental housing	-	-	5 461	-	2 889	2 889	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>Heritage assets</b>	-	-	-	-	-	-	-	-	-
Botanical	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>Investment properties</b>	-	-	-	-	-	-	-	-	-
Housing development	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>Other assets</b>	-	3 260	1 617	-	-	-	-	-	-
General vehicles	-	3 260	-	-	-	-	-	-	-
Specialised vehicles	-	-	-	-	-	-	-	-	-
Plant & equipment	-	-	-	-	-	-	-	-	-
Computers - hardware/equipment	-	-	833	-	-	-	-	-	-
Furniture and other office equipment	-	-	-	-	-	-	-	-	-
Abattoir	-	-	-	-	-	-	-	-	-
Mannet	-	-	-	-	-	-	-	-	-
Civic Land and Buildings	-	-	-	-	-	-	-	-	-
Other Buildings	-	-	-	-	-	-	-	-	-
Other Land	-	-	-	-	-	-	-	-	-
Surplus Assets - (Investment or Inventory)	-	-	964	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>Agricultural assets</b>	-	-	-	-	-	-	-	-	-
Land sub-class	-	-	-	-	-	-	-	-	-
<b>Botanical assets</b>	-	-	-	-	-	-	-	-	-
Land sub-class	-	-	-	-	-	-	-	-	-
<b>Intangibles</b>	-	-	-	-	-	-	-	-	-
Computers - software & programming	-	-	-	-	-	-	-	-	-
Other (list sub-class)	-	-	-	-	-	-	-	-	-
<b>Total Capital Expenditure on renewal of existing assets</b>	-	4 147	47 032	28 138	32 438	32 838	20 758	21 000	8 500
<b>Specialised vehicles</b>	-	-	-	-	-	-	-	-	-
Refuse	-	-	-	-	-	-	-	-	-
Fire	-	-	-	-	-	-	-	-	-
Commissaries	-	-	-	-	-	-	-	-	-
Ambulance	-	-	-	-	-	-	-	-	-
Renewal of Existing Assets as % of total capex	0.1%	2.9%	25.2%	28.8%	26.7%	26.7%	20.0%		
Renewal of Existing Assets as % of deprec <sup>4</sup>	0.9%	4.0%	47.3%	25.8%	27.1%	27.1%	18.6%		





WC032 Overstrand - Supporting Table SA34c Repairs and maintenance expenditure by asset class

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year 2016/17	Budget Year 2017/18
<b>Repairs and maintenance expenditure by Asset Class/Sub-class</b>									
<b>Infrastructure</b>	43 129	87 048	129 145	136 752	136 752	136 752	111 669	117 855	123 347
Infrastructure - Road transport	26 843	42 236	62 749	68 540	68 540	68 540	57 090	60 842	64 540
Roads, Pavements & Bridges	25 231	39 796	60 016	62 232	62 232	62 232	51 491	54 748	58 086
Slum water	911	2 445	3 732	6 308	6 308	6 308	5 889	6 064	6 452
Infrastructure - Electricity	4 501	14 105	20 498	25 491	25 491	25 491	18 635	17 340	23 891
Generation	-	-	-	-	-	-	-	-	-
Transmission & Retention	4 501	14 105	20 498	25 491	25 491	25 491	18 635	17 340	23 891
Street Lighting	-	-	-	-	-	-	-	-	-
Infrastructure - Water	6 892	21 402	27 931	26 775	26 775	26 775	22 874	24 001	24 593
Dams & Reservoirs	32	60	-	-	-	-	-	-	-
Water purification	1 708	1 963	-	-	-	-	-	-	-
Retention	5 132	19 439	27 931	26 775	26 775	26 775	22 874	24 001	24 593
Infrastructure - Sanitation	4 568	7 708	15 495	14 145	14 145	14 145	12 159	12 963	16 387
Retention	3 687	5 923	-	-	-	-	-	-	-
Sewerage purification	882	1 085	15 495	14 145	14 145	14 145	12 159	12 963	16 387
Infrastructure - Other	1 215	1 499	1 491	1 800	1 800	1 800	2 492	2 719	4 130
Waste Management	1 215	1 499	1 491	1 800	1 800	1 800	2 492	2 719	4 130
Transportation	-	-	-	-	-	-	-	-	-
Gas	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>Community</b>	8 912	5 458	7 548	9 296	9 296	9 296	4 548	4 391	8 211
Parks & gardens	1 410	1 503	2 364	2 319	2 319	2 319	2 084	2 318	3 801
Sportsfields & clubs	458	958	353	1 023	1 023	1 023	588	642	1 205
Swimming pools	228	289	279	302	302	302	483	513	323
Community halls	731	916	914	306	306	306	564	599	1 076
Libraries	130	181	194	171	171	171	99	105	174
Recreational facilities	-	-	-	-	-	-	-	-	-
Fire, safety & emergency	538	848	787	1 185	1 185	1 185	-	-	-
Security and policing	524	536	579	781	781	781	-	-	-
Bus	-	-	-	-	-	-	-	-	-
Clinics	-	-	-	-	-	-	-	-	-
Museums & Art Galleries	-	-	-	-	-	-	-	-	-
Cemeteries	37	82	53	53	53	53	27	29	51
Social rental housing	-	-	224	335	335	335	-	-	-
Other	1 905	125	1 066	1 724	1 724	1 724	701	286	1 362
<b>Heritage assets</b>	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>Investment properties</b>	279	-	-	-	-	-	-	-	-
Housing development	279	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>Other assets</b>	15 443	21 856	13 884	19 218	17 021	17 821	5 061	4 859	9 203
General vehicles	4 682	8 599	-	-	-	-	-	-	-
Specialised vehicles	-	-	-	-	-	-	-	-	-
Plant & equipment	-	-	-	-	-	-	-	-	-
Computers - hardware/equipment	4 309	5 035	4 441	8 157	8 157	8 157	-	-	-
Furniture and other office equipment	-	-	-	-	-	-	-	-	-
Refrigerators	-	-	-	-	-	-	-	-	-
Markets	-	-	-	-	-	-	-	-	-
Other Land and Buildings	1 025	1 368	824	1 214	1 214	1 214	561	703	1 249
Other Land	-	-	-	-	-	-	-	-	-
Surplus Assets - (Investment) or Inventory	-	-	-	-	-	-	-	-	-
Other	9 429	10 155	8 596	9 846	9 649	9 649	4 420	3 858	7 953
<b>Agricultural assets</b>	-	-	-	-	-	-	-	-	-
Land sub-class	-	-	-	-	-	-	-	-	-
<b>Biological assets</b>	-	-	-	-	-	-	-	-	-
Land sub-class	-	-	-	-	-	-	-	-	-
<b>Intangible</b>	-	-	-	-	-	-	-	-	-
Computers - software & programming	-	-	-	-	-	-	-	-	-
Other (not sub-class)	-	-	-	-	-	-	-	-	-
<b>Total Repairs and Maintenance Expenditure</b>	84 845	114 414	150 358	182 288	183 071	183 071	121 077	129 414	150 754

<b>Specialised vehicles</b>	-	-	-	-	-	-	-	-	-
Refuse	-	-	-	-	-	-	-	-	-
Fire	-	-	-	-	-	-	-	-	-
Conveyance	-	-	-	-	-	-	-	-	-
Amusement	-	-	-	-	-	-	-	-	-

RAM as a % of PPE	2.7%	2.7%	4.2%	5.0%	5.2%	5.2%	3.9%	4.1%	6.1%
RAM as a % Operating Expenditure	9.7%	14.3%	18.1%	19.7%	17.3%	17.6%	12.8%	12.2%	12.3%





WC032 Overstrand - Supporting Table SA34d Depreciation by asset class

Description	2011/12	2012/13	2013/14	Current Year 2014/15			2015/16 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2015/16	Budget Year +1 2016/17	Budget Year +2 2017/18
R thousand									
<b>Depreciation by Asset Class/Sub-class</b>									
<b>Infrastructure</b>	87 037	81 931	85 101	93 344	91 038	91 038	94 154	99 802	105 792
Infrastructure - Road transport	38 340	29 992	30 210	31 514	31 612	31 612	32 235	34 169	36 219
Roads, Pavements & Bridges	34 105	27 969	27 969	29 493	29 367	29 367	29 646	31 424	33 309
Storm water	2 235	2 033	2 245	2 021	2 245	2 245	2 590	2 745	2 910
Infrastructure - Electricity	19 441	18 779	18 887	22 789	21 569	21 569	20 158	21 368	22 650
Generation					-	-			
Transmission & Retention	19 441	18 779	18 887	22 789	21 569	21 569	20 158	21 368	22 650
Street Lighting					-	-			
Infrastructure - Water	16 029	16 965	16 974	20 388	18 533	18 533	19 981	21 179	22 450
Dams & Reservoirs	16 029	16 965	16 974	20 388	-	-			
Water purification					-	-			
Refeculation					18 533	18 533	19 981	21 179	22 450
Infrastructure - Sanitation	13 422	13 420	14 103	15 067	17 128	17 128	17 034	18 056	19 140
Refeculation	13 422	13 420	14 103	15 067	15 067	15 067	17 034	18 056	19 140
Sewerage purification					2 061	2 061			
Infrastructure - Other	2 804	2 874	2 928	3 607	2 196	2 196	4 746	5 031	5 332
Waste Management	2 168	2 250	2 928	3 607	2 196	2 196	3 930	4 166	4 416
Transportation					-	-			
Gas					-	-			
Other	637	618			-	-	816	865	917
<b>Community</b>	4 359	2 851	2 961	4 822	3 305	3 305	3 601	3 817	4 046
Parks & gardens					-	-			
Sportsfields & stadia					-	-			
Swimming pools					-	-			
Community halls					-	-			
Libraries					-	-			
Recreational facilities	4 359	2 851	2 961	4 822	3 305	3 305	3 601	3 817	4 046
Fire, safety & emergency					-	-			
Security and policing					-	-			
Buses					-	-			
Clinics					-	-			
Museums & Art Galleries					-	-			
Cemeteries					-	-			
Social rental housing					-	-			
Other					-	-			
<b>Heritage assets</b>	-	-	-	-	-	-	-	-	-
Buildings					-	-			
Other					-	-			
<b>Investment properties</b>	-	-	-	-	-	-	-	-	-
Housing development					-	-			
Other					-	-			
<b>Other assets</b>	12 427	19 253	10 670	10 216	10 236	10 236	12 461	13 230	14 023
General vehicles	2 077	2 360	2 568	2 360	2 360	2 360			
Specialised vehicles	-	-	-	-	-	-			
Plant & equipment					-	-			
Computers - hardware/equipment	1 334	1 948	2 213	1 948	2 002	2 002			
Furniture and other office equipment	244	254	261	254	322	322			
Abattoirs					-	-			
Markets					-	-			
Civic Land and Buildings					-	-	5 685	6 026	6 388
Other Buildings	5 560	5 467	5 908	5 854	5 551	5 551			
Other Land					-	-			
Surplus Assets - (Investment or Inventory)					-	-			
Other	3 111	9 224			-	-	6 796	7 204	7 636
<b>Agricultural assets</b>	-	-	-	-	-	-	-	-	-
List sub-class					-	-			
<b>Biological assets</b>	-	-	-	-	-	-	-	-	-
List sub-class					-	-			
<b>Intangibles</b>	219	373	629	883	883	883	1 128	1 193	1 265
Computers - software & programming	219	373	629	883	883	883			
Other (Not sub-class)					-	-			
<b>Total Depreciation</b>	104 041	104 406	99 361	109 268	105 461	105 461	119 352	125 126	130 126

WC032 Overstrand - Supporting Table SA35 Future financial implications of the capital budget

Capital expenditure							
Vote 1 - Council	-	-	-				
Vote 2 - Municipal Manager	-	-	-				
Vote 3 - Management Services	2 528	-	-				
Vote 4 - Finance	-	-	-				
Vote 5 - Community Services	73 720	75 806	83 561	5 000			
Vote 6 - Local Economic Development	-	-	-				
Vote 7 - Infrastructure & Planning	22 371	18 000	20 000	15 500	5 000		
Vote 8 - Protection Services	295	-	-				
<b>Total Capital Expenditure</b>	<b>103 914</b>	<b>94 806</b>	<b>103 561</b>	<b>20 500</b>	<b>5 000</b>	<b>-</b>	<b>-</b>





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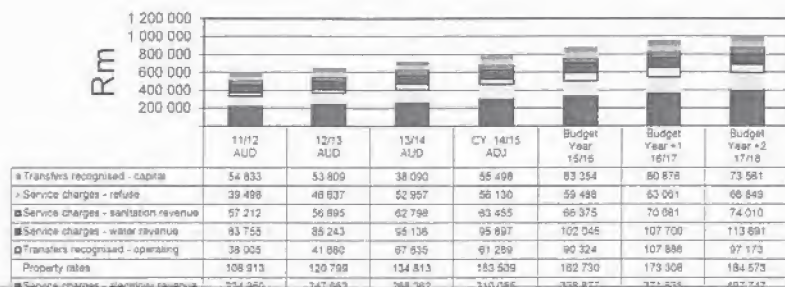


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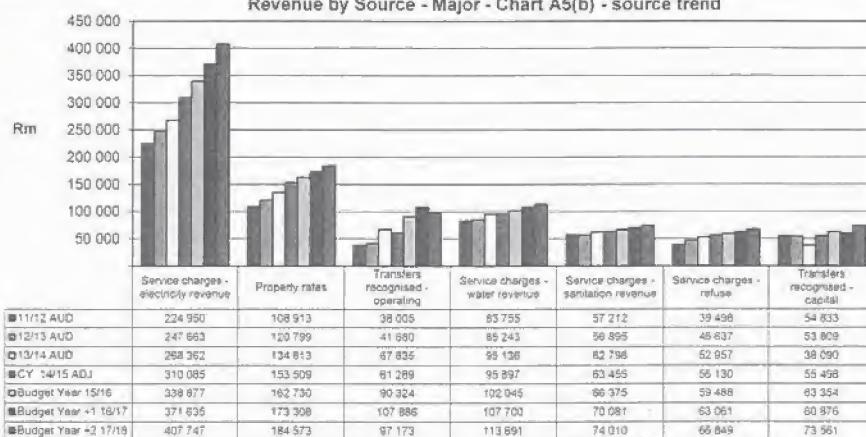




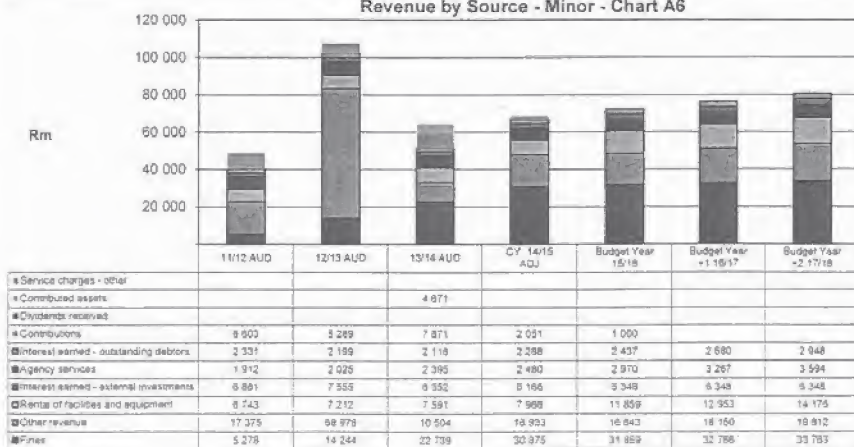
Revenue by Source - Major - Chart A5(a)



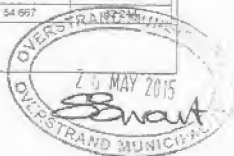
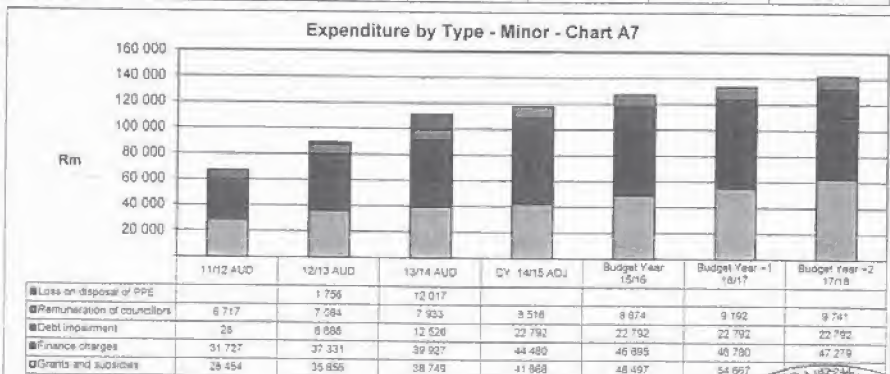
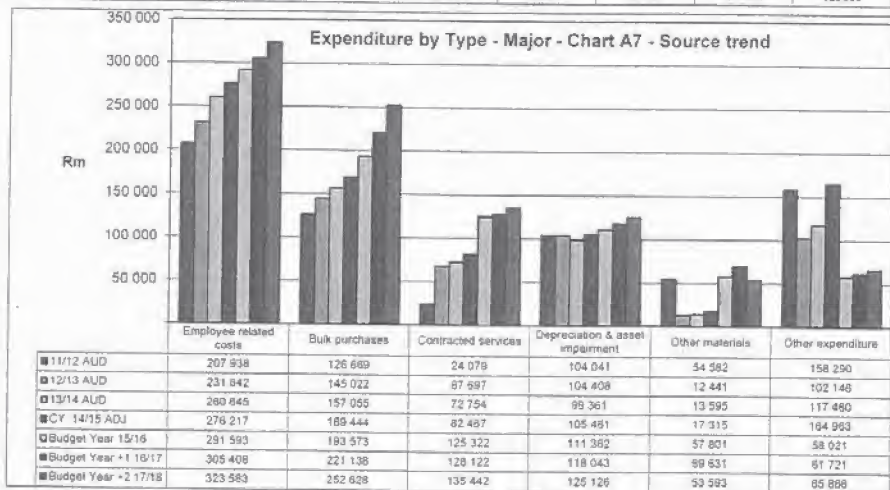
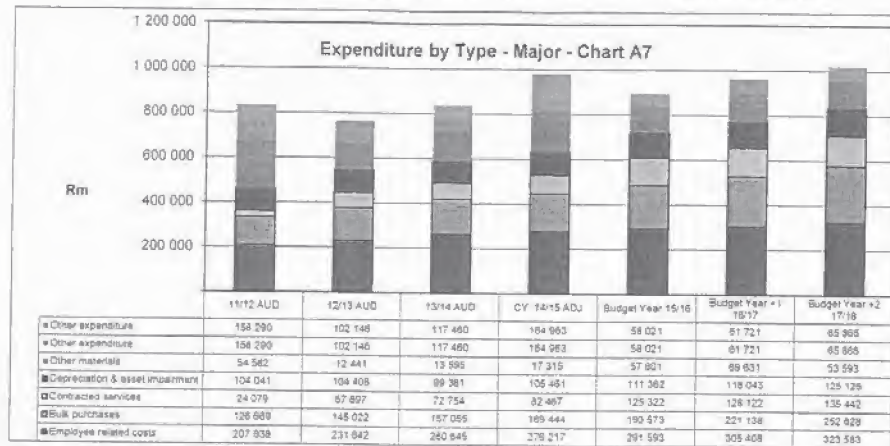
Revenue by Source - Major - Chart A5(b) - source trend



Revenue by Source - Minor - Chart A6



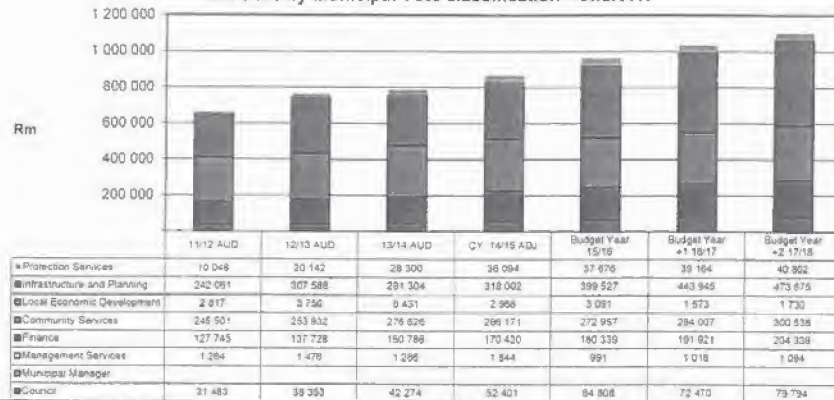
## OVERSTRAND MUNICIPALITY - BUDGET REGULATION CHARTS 2015/2016 DRAFT BUDGET



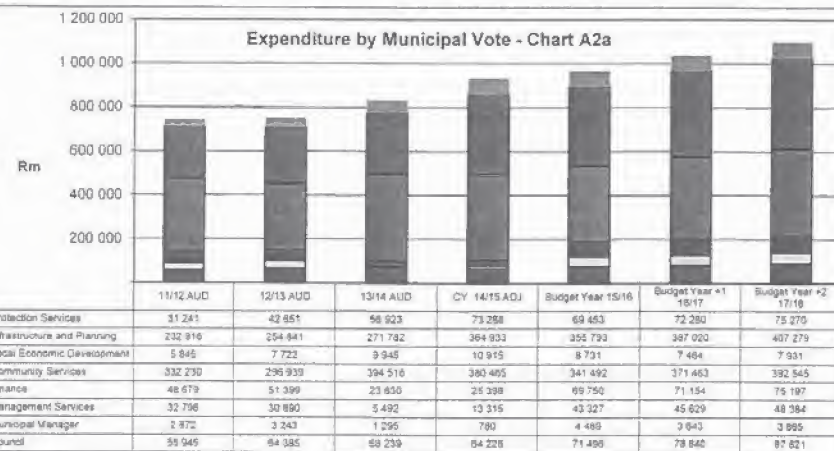


## OVERSTRAND MUNICIPALITY - BUDGET REGULATION CHARTS 2015/2016 DRAFT BUDGET

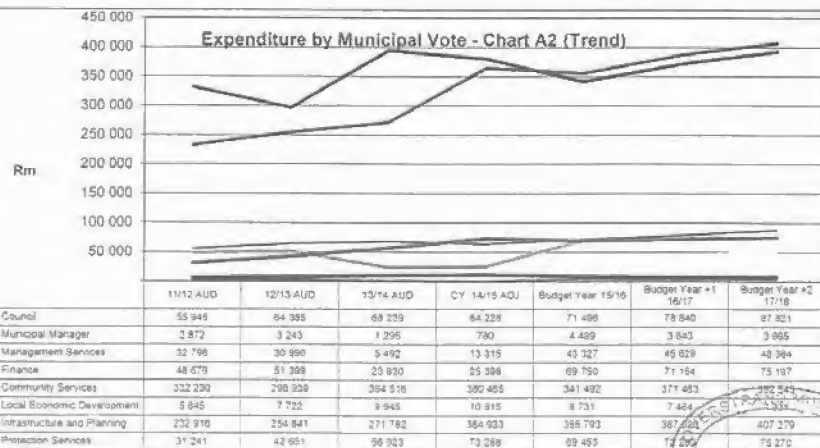
Revenue by Municipal Vote classification - Chart A1



Expenditure by Municipal Vote - Chart A2a



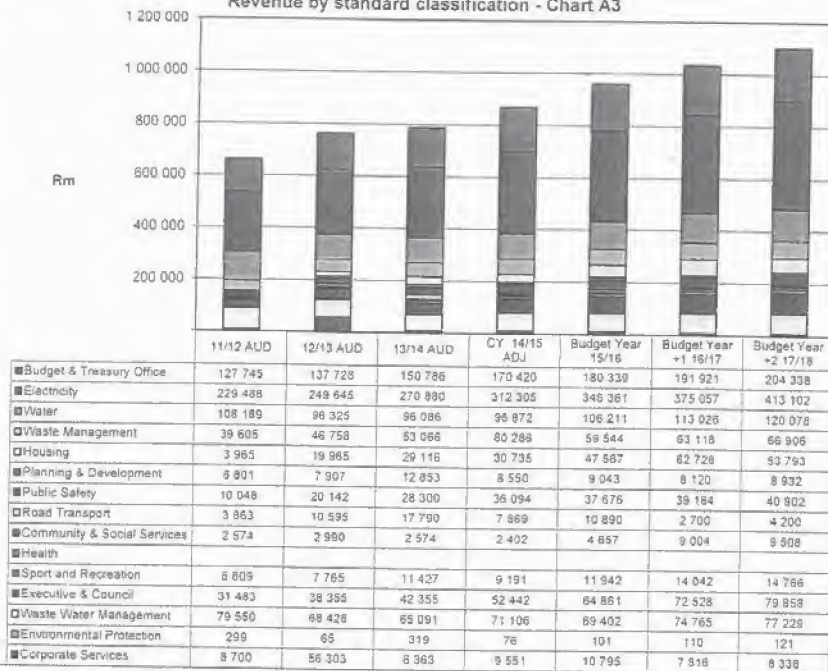
Expenditure by Municipal Vote - Chart A2 (Trend)



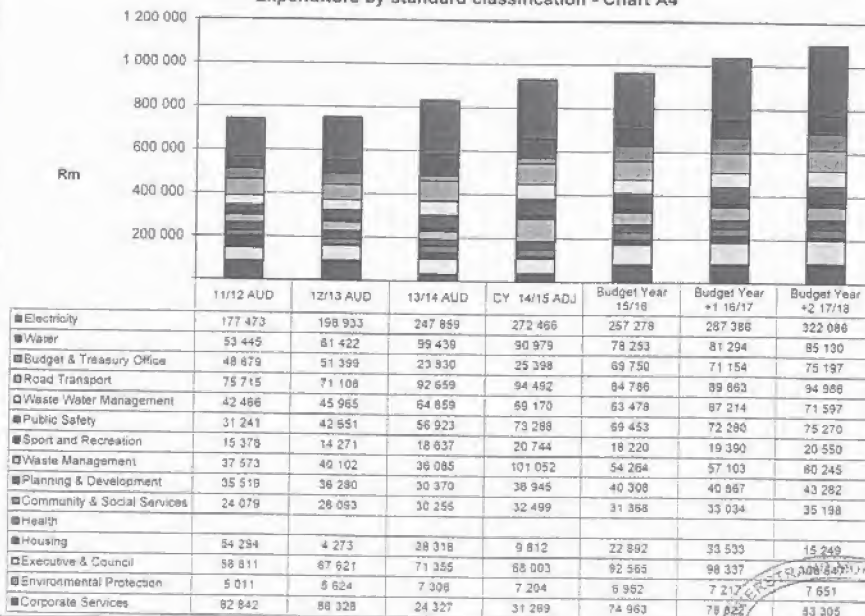
25 MAY 2015  
 22:00  
 OVERSTRAND MUNICIPALITY

## OVERSTRAND MUNICIPALITY - BUDGET REGULATION CHARTS 2015/2016 DRAFT BUDGET

Revenue by standard classification - Chart A3



Expenditure by standard classification - Chart A4







**ANNEXURE C**

**RATES AND TARIFFS**



## OVERSTRAND MUNICIPALITY TARIFF LIST

## RATES TARIFFS

Tariff Code	Detail	2015/2016		2014/2015		1.0685
		Exclude VAT	Include VAT	Exclude VAT	Include VAT	
RATES	YEAR OF GENERAL VALUATION: 02 JULY 2011					
RATE1*	Commercial Land with Improvements	0.00670	0.00670	0.00627	0.00627	6.8500%
RATE2*	Residential Land with Improvements * See attached schedule of Exemptions and Rebates applicable	0.00442	0.00442	0.00414	0.00414	6.8500%
RATE3	Municipal Properties: Investment Properties					
RATE4	Municipal Properties: Property, Plant and Equipment	0.00000	0.00000	0.00000	0.00000	
RATE5	Improvement District Surcharge (HPP) on total rates payable on approved Improvement District	0.10000	0.10000	0.10000	0.10000	0.0000%
RATE6	Building Clause	Equals to tariff for rates on property	Equals to tariff for rates on property	Equals to tariff for rates on property	Equals to tariff for rates on property	
RATE7	Farm/Agriculture (Bona-fide)	0.00111	0.00111	0.00104	0.00104	6.8500%
RATE8	Undeveloped erven	0.00605	0.00605	0.00566	0.00566	6.8500%
RATE9	Government Properties: Commercial	0.00670	0.00670	0.00627	0.00627	6.8500%
RATE10	Government Properties: Residential	0.00442	0.00442	0.00414	0.00414	6.8500%

PLEASE NOTE: VAT IS LEVIED AT A RATE OF 0% ON ASSESSMENT RATES



# OVERSTRAND MUNICIPALITY

## (Attachments to the Rates Tariff Schedule)

TARIFF CODE	CLASS TAX	TYPE OF PROPERTY	REBATE OR EXEMPTIONS
BUS	General Tax: Commercial	All business, industries, Bed and Breakfast and Guest Houses	No exemptions. Bed and Breakfast as well as Guesthouses can apply before 30 June for the following rebate on the difference between Bus and Res. rate: 1 -2 X lettable room: 100% 3 X lettable rooms: 75% 4 X lettable rooms: 50% 5 X lettable rooms: 25%
BUSO	General Tax: Tourism and recreational resorts outside the municipal urban areas	Hotels, Guest Houses, Cottages, Caravan parks and Holiday Resorts, Chalets	50% rebate on the tax applicable on commercial property in urban areas.
RES	General Tax: Residential properties within the municipal service areas	Single residential properties, Group housing, Retirement Villages, Flats, Sectional Schemes, small holdings not used for bona fide farming purposes	The first R15 000.00 of the rateable value of all residential properties is exempted from property tax. A further R35 000.00 of the rateable value is exempted in respect of all residential properties where a residential completion certificate has been issued and an additional rebate of 20% of the levy calculated on such properties is granted. Rebate to qualifying property owners as indicated under "Other Rebate"
RESO	General Tax: Residential properties outside the municipal urban area	Single residential properties, Group housing, Retirement Villages, Flats, Sectional Schemes	50% of the tax applicable on residential property in urban areas. Rebate to qualifying property owners as indicated under "Other Rebate"
FARMS	General Tax: Farming Properties	Smallholdings used for bona fide farming purposes outside municipal service area	Agricultural purpose in relation to the use of a property, excludes the use of a property for the purpose of ecotourism or for the trading in or hunting of game.
FARMS	Conservation land	Privately owned properties whether designated or used for conservation purposes.	Not rateable in terms of section 17(1)(e) of the act



PR100 PR050 PR040	Other Rebates	Single residential properties, Group properties, Retirement Villages, Flats, Sectional Schemes	<ul style="list-style-type: none"> <li>- Property must be occupied permanently;</li> <li>- The applicant must be the registered owner;</li> <li>- Only one residential unit allowed on the property</li> <li>- Applicant may not be the registered owner of more than one property</li> </ul> <ul style="list-style-type: none"> <li>• A rebate of 100% to approved applicants, in terms of the <b>Property Rates</b> Policy, who's gross monthly household income may not exceed the amount of two times (2X) of state funded social pensions per month;</li> <li>• A rebate of 50% to approved applicants, in terms of the <b>Property Rates</b> Policy, who are older than 60 with a gross monthly household income less than four times (4X) of state funded social pensions per month;</li> <li>• A rebate of 40% to approved applicants, in terms of the <b>Property Rates</b>, who are older than 60 with a gross monthly household income of more than four times (4X) but less than eight times (8X) of state funded social pensions per month.</li> </ul>
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# EXEMPTIONS FROM PROPERTY RATES (Rates Policy)

Religious Organizations	A property registered in the name of and used primarily as a place of public worship by a religious organization/community, including an official residence registered in the name of that organization/community which is occupied by an office bearer who officiates at services at that place of worship in terms of section 17(1)(i) of the MPRA.
Health and welfare institutions	Properties used exclusively as a hospital, clinic, mental hospital, orphanage, non-profit retirement village, old age home or benevolent institution, including workshops used by the inmates, laundry or caterina facilities, provided that any profits from the use of the property are used entirely for the benefit of the institution and/or to charitable purposes within the boundaries of Overstrand Municipality.
Private schools and Educational Institutions	Property used by registered private schools for educational purposes only
Charitable institutions	Properties belonging to not-for-gain institutions or organizations that perform charitable work.
Sporting bodies	Property used by an organization whose sole purpose is to use the property for sporting purposes, for gain or not. Assistance to professional sporting organizations may differ from that afforded to amateur bodies. The rebate will be award <b>at the sole discretion of council on an annual basis.</b>
Agricultural societies	Property belonging to agricultural societies affiliated to the SA Agricultural Union used for the purposes of the society.
Cultural institutions	Properties declared in terms of the Cultural Institutions Act, Act 29 of 1969 or the Cultural Institutions Act, Act 66 of 1989.
Museums, libraries, art galleries and botanical gardens	Registered in the name of private persons, open to the public and not operated for gain.
Youth development organizations	Property owned and/or used by organizations such as the Boy Scouts, Girls Guides, Voortrekkers or organizations the Council deems to be similar.
Animal protection	Property owned or used by institutions/organizations whose exclusive aim is to protect birds, reptiles and animals on a not-for-gain basis.



## OVERSTRAND MUNICIPALITY

## SUNDRY TARIFF LIST

1.10

Tariff Code	Detail	2015/2016		2014/2015	
		Exclude VAT	Include VAT	Exclude VAT	Include VAT
<b>S1</b>	<b>BOAT LICENCE/PERMITS, LAUNCHING &amp; ENTRANCE FEE</b>				
<b>S1J</b>	<b>Kleinbaai Harbour:</b>				
S1J1	On site Parking pm	745.61	850.00	675.44	770.00
S1J2A	Category B1: Shark-view operators/whale-watching (incl on-site parking) pa	31 250.00	35 625.00	28 407.02	32 384.00
S1J2B	Category B2: Shark-view operators/whale-watching (excl on-site parking) pm	2 360.35	2 725.00	2 171.06	2 475.00
S1J2C	Category B2: Shark-view operators/whale-watching (excl on-site parking) pa	23 860.88	27 190.00	21 681.58	24 717.00
S1J4A	Kelp Collectors pm	2 986.84	3 405.00	2 713.20	3 083.05
S1J4B	Kelp Collectors pa	29 815.79	33 990.00	27 102.00	30 896.28
S1J4C	Kelp Collectors per launch	192.98	220.00	175.44	200.00
S1J5	Oversize vessel	Tariff + 50%	val on tariff + 50%	Tariff + 50%	val on tariff + 50%
S1J6A	Nature Conservation	FREE	FREE	FREE	FREE
S1J6B	Support Service per month	585.79	645.00	511.40	583.00
S1J6C	Support Service per launch	74.56	85.00	67.54	77.00
S1J7A1	Recreational Fishing (Overstrand Consumers) Vessels < 7m pa	482.46	550.00	438.60	500.00
S1J7A2	Recreational Fishing Vessels < 7m per Launch	57.02	65.00	52.63	60.00
S1J7A3	Recreational Fishing (Overstrand Consumers) Vessels > 7m pa	578.95	660.00	526.32	600.00
S1J7A4	Recreational Fishing Vessels > 7m per Launch	74.56	85.00	65.79	75.00
S1J7B1	Commercial Fishing (Overstrand Consumers) Vessels < 7m pa	526.32	600.00	438.60	500.00
S1J7B2	Commercial Fishing Vessels > 7m pa	697.37	795.00	631.58	720.00
S1J7B3	Commercial Fishing Vessels < 7m per launch	65.79	75.00	New	New
S1J7B4	Commercial Fishing Vessels > 7m per launch	83.33	95.00	74.56	85.00
S1J8A	Passenger Boats pm	1 192.98	1 360.00	1 085.97	1 238.00
S1J8B	Passenger Boats per launch	114.04	130.00	106.14	121.00
S1J9	Vehicles up to 1 Ton per vehicle load capacity - mixed builders rubble NO ADMISSION to Transfer	201.75	230.00	183.34	209.00
S1J11	Formal Ship Rental / month	692.98	790.00	627.19	715.00
S1J12	Informal Trader under cover rental / month	456.14	520.00	414.91	473.00
<b>S1M</b>	<b>Kleinmond Harbour:</b>				
S1M1	Recreational Fishing (Overstrand Consumers) Vessels < 7m pa	482.46	550.00	New	New
S1M2	Recreational Fishing Vessels < 7m per Launch	57.02	65.00	New	New
S1M3	Recreational Fishing (Overstrand Consumers) Vessels > 7m pa	578.95	660.00	New	New
S1M4	Recreational Fishing Vessels > 7m per Launch	74.56	85.00	New	New
S1M5	Commercial Fishing (Overstrand Consumers) Vessels < 7m pa	526.32	600.00	New	New
S1M6	Commercial Fishing Vessels > 7m pa	697.37	795.00	New	New
S1M7	Commercial Fishing Vessels < 7m per launch	65.79	75.00	New	New
S1M8	Commercial Fishing Vessels > 7m per launch	78.95	90.00	New	New
S1M9	Passenger Boats pm	1 192.98	1 360.00	New	New
S1M10	Passenger Boats per launch	114.04	130.00	New	New
<b>S1T</b>	<b>As per tariff SA2B - SA2B11</b>				
<b>S1T1</b>	<b>Affiliated Members</b>				
S1T1A	Annually	175.44	200.00	New	New
S1T1B	Monthly	105.26	120.00	New	New

## OVERSTRAND MUNICIPALITY

## SUNDRY TARIFF LIST

1.10

Tariff Code	Detail	2015/2016		2014/2015	
		Exclude VAT	Include VAT	Exclude VAT	Include VAT
S11C Weekly		52.63	60.00	New	New
S11D Daily		17.54	20.00	New	New
S11E Non-Affiliated Members			0.00	New	New
S11F Annually		350.88	400.00	New	New
S11G Monthly		157.89	179.99	New	New
S11H Weekly		87.72	100.00	New	New
S11I Daily		26.32	30.00	New	New
S2	<b>BUILDING CONTROL</b>				
S2A1	Building Plan Fees up to 100 m² (R/m²)	23.66	27.00	21.05	24.00
S2A2	Building Plan Fees from 101 m² to 200 sq m (R/m²)	28.07	32.00	25.44	29.00
S2A3	Building Plan Fees from 201 m² to 300 sq m (R/m²)	32.46	37.00	29.83	34.00
S2A4	Building Plan Fees greater than 300 m² (R/m²)	36.84	42.00	34.21	39.00
S2A5	Building Plan fees - Building Sub-Economic < 70 m²	337.72	385.00	307.02	350.00
S2B	Alterations and Additions smaller than 30 m²	710.53	810.00	631.98	720.00
S2C	Building Plan fees related to farm buildings (farm sheds, stables, etc) R/m²	15.79	18.00	14.48	16.50
S2D1	Building Plan fees related to industrial buildings R/m²	15.79	18.00	14.48	16.50
S2D2	Building Plan Fees Related to Government Buildings (School etc) (R/m²)	15.79	18.00	14.48	16.50
S2F1	Plan Sealing Fees - < 200 m²	412.28	470.00	377.19	430.00
S2F2	> 200 m² (R/m²)	3.33	3.80	3.07	3.50
S2G	Demolition application	412.28	470.00	377.19	430.00
S2H	Inspection & Re-inspection fees and inspections on queries, rates clearance etc	245.61	280.00	219.30	250.00
S2J1	Building Deposit - < 50m² or less or less than R150,000.00	730.00	no vat	660.00	no vat
S2J2	Building Deposit - Recoverable 50m² to 200m² or more than R150,000.00	1940.00	no vat	1760.00	no vat
S2J3	Building Deposit - Recoverable more than 200m²	5330.00	no vat	4840.00	no vat
S2J4	Building Deposit - Sub-economic Areas only (Not applicable to Additions)	No Deposit	no vat	No Deposit	no vat
S2K	Administration / Viewing Fee	48.25	55.00	43.85	50.00
S2L	Minor Building Works	192.98	220.00	175.44	200.00
S2L1	Heritage Investigation Minor Alterations (no additions)	395.97	440.00	360.88	400.00
S2L2	Heritage Investigation add and all smaller than 30m²	771.93	880.00	701.75	800.00
S2L3	Heritage Investigation add and all greater than 30m²	1543.96	1760.00	1403.51	1600.00
S3	<b>BUILDING CONTROL - PLAN PRINTING FEES</b>				
S3A1	Per sheet - Size A0 (Private copy)	52.63	60.00	48.25	55.00
S3A2	Size A1 (Private copy)	42.11	48.00	38.60	44.00
S3A3	Size A2 (Private copy)	31.58	36.00	28.95	33.00
S3A4	Per sheet - Size A0 (Official copy)	42.11	48.00	38.60	44.00
S3A5	Size A1 (Official copy)	31.58	36.00	28.95	33.00
S3A6	Size A2 (Official copy)	21.33	25.00	20.18	23.00
S3B1	Per sheet - Size A0 (Private copy) Colour	276.32	315.00	250.88	286.00
S3B2	Size A1 (Private copy) Colour	210.53	240.00	192.98	220.00
S3B3	Size A2 (Private copy) Colour	140.35	160.00	131.58	150.00
S3B4	Per sheet - Size A0 (Official copy) Colour	140.35	160.00	127.19	145.00
S3B5	Size A1 (Official copy) Colour	105.26	120.00	96.49	110.00

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## OVERSTRAND MUNICIPALITY

## SUNDRY TARIFF LIST

Tariff Code	Detail	2015/2016		2014/2015	
		Exclude VAT	Include VAT	Exclude VAT	Include VAT
S366	- Size A2 (Official copy) Colour	70.18	80.00	65.79	75.00
<b>S5</b>	<b>BUSINESS LICENSE</b>				
S25B1	Business Licence - permanent stand	615.62	701.80	556.65	638.00
S25B2	Business Licence - not permanent stand	221.93	253.00	221.93	253.00
S25B3	Re-inspection Fee	122.05	139.15	110.97	126.50
S25B4	Duplicate Licence Fee	122.05	139.15	110.97	126.50
<b>S15</b>	<b>CEMETERY</b>				
<b>Residents (RES):</b>					
<b>S15A</b>	<b>Plot Cost (Fixed)</b>				
<b>Grave Depths</b>					
<b>Note</b>	- Infill grave (between two existing graves) must have a soil coverage of not less than 1 meter; - Other single graves (not infill) must have a soil coverage of not less than 1.5 meters; - Double graves (in depth) must have a soil coverage of not less than 1.5 meters with a 300mm soil between the coffins; - Child grave must have a soil coverage of not less than 1 meter.				
S15A1	All cemeteries - single grave	474.56	541.00	474.56	541.00
S15A2	All cemeteries - Double graves - depth for two coffins	736.84	840.00	736.84	840.00
S15A3	Double grave next to each other	949.12	1 082.00	949.12	1 082.00
S15A4	Children under 12 years	366.14	405.00	366.14	406.00
S15A5	Garden of Remembrance Fees	173.68	198.00	173.68	198.00
<b>S15B</b>	<b>Indication of grave</b>				
S15B1	New graves (include inspection before and after funeral)	489.12	569.00	463.51	517.00
S15B2	Existing graves	159.65	182.00	144.74	165.00
<b>Non Residents:</b>					
<b>S15C</b>	<b>Plot Cost</b>				
S15C1	All Tariffs				
<b>S15D</b>	<b>Indication of grave</b>				
S15D1	All Tariffs				
<b>S18</b>	<b>COMMERCIAL FILMING/PHOTOGRAPHING</b>				
S18A1	Large per day or part thereof ≥ 50 people	11 254.39	12 830.00	10 228.07	11 660.00
S18A2	Small per day or part thereof more than 10 but < 50 people	3 947.37	4 500.00	3 579.83	4 081.00
S18A3	Small per day or part thereof ≤ 10 people	1 131.58	1 290.00	1 022.81	1 166.00
<b>Addition to Shoot</b>					
S18C	Animals (per animal per day or part of a day)	140.35	160.00	125.44	143.00
S18D	Area required for production and catering (per m² per day or part of a day)	31.58	36.00	28.95	33.00
S18E	Area required for production and catering (per m² per day or part of a day)	15% of Fee	15% of Fee	15% of Fee	15% of Fee
S18G	Environmental Control Officer - Fees per hour or part thereof	328.95	375.00	298.25	340.00
S18H	Vehicles off Public Roads per Parking Bay (per vehicle per day/part of a day)	118.42	135.00	105.26	120.00
<b>CREDIT CONTROL AND DEBT COLLECTION</b>					
S20A1	Admin fee on arrear accounts Notices	315.79	360.00	286.47	330.00
S20A2	Admin fee on 24 hour Notices - Bulk users	315.79	360.00	286.47	330.00
S20B	Admin fee on arrear accounts Disconnection and Reconnection Fee	530.71	605.00	492.46	550.00
S20C	SMS admin fee on arrear accounts Notices	21.93	25.00	NEW	NEW

## OVERSTRAND MUNICIPALITY

## SUNDRY TARIFF LIST

Tariff Code	Detail	2015/2016		2014/2015		1.10
		Exclude VAT	Include VAT	Exclude VAT	Include VAT	
<b>S22</b>	<b>DOG TAX</b>					
S22A	Licence per dog					9.05%
S22B	Social visitor and registered indigent clients on application					
<b>S23</b>	<b>FIRE SERVICES &amp; DISASTER MANAGEMENT</b>					10.00%
S23A	Plot Cleaning					9.85%
S23B	Re-inspection Fee under By-law					
<b>S23C</b>	<b>Extinguishing of Fires</b>					10.00%
S23C1	Extinguishing of structural fires per hour or part thereof per incident					9.85%
S23C2	Extinguishing of structural fires - indigent households					
S23C3	Extinguishing of vehi - and other fires per hour or part thereof					10.00%
S23C4	Assistance at motor vehicle accidents and rescues					10.00%
<b>S23D</b>	<b>Standby at fire scene</b>					
S23D1	Per hour or part thereof for vehicle and fire lighters					10.00%
<b>S23E</b>	<b>Fire Prevention Inspections</b>					10.00%
S23E1	Tank installation - per tank					10.00%
S23E2	L.P Gas - per installation 48kg and more incl bulk tanks					10.00%
<b>S23F</b>	<b>Fire Safety</b>					10.00%
S23F1	1st and 2nd compliance inspection					10.00%
S23F2	3rd and continuing compliance inspection					10.00%
<b>S23G</b>	<b>Events</b>					
S23G1	Inspection of location and issuing of Population Certificate					10.00%
S23G2	Standby at event per event per day or part thereof for vehicle and fire lighters					10.00%
<b>S23H</b>	<b>Burn Permits</b>					10.00%
S23H1	Burn Permit Inspection					10.00%
<b>S25</b>	<b>LAW ENFORCEMENT</b>					
<b>S25C</b>	<b>Impoundment of Hawkers Goods</b>					10.52%
S25C1	Per impoundment					9.95%
S25C2	Removal of illegal structure per structure					11.12%
S25C3	Storage Fee per day					
<b>S25D</b>	<b>Pound fee: Dogs and Cats</b>					10.74%
S25D1	Impoundment of Dogs and Cats					11.70%
S25D2	Pound fee: from day 2 per day					
<b>S25E</b>	<b>Pound fee: Other Animals</b>					10.08%
S25E1	Impoundment fee per week per animal					
<b>S25F</b>	<b>By-law on Outdoor Advertising</b>					10.74%
S25F1	Impoundment of illegal Advertising/Agent boards (per board) - small <2400cm <sup>2</sup>					10.08%
S25F2	Impoundment of illegal Advertising/Agent boards (per board) - large >2400cm <sup>2</sup>					
<b>S28</b>	<b>LIBRARY</b>					8.47%
S28A1	Copies: A3 / Page					10.00%
S28A2	Copies: A3 / Page - Education Purposes ONLY Black & White					



## OVERSTRAND MUNICIPALITY

## SUNDRY TARIFF LIST

Tariff Code	Detail	2015/2016		2014/2015		1.10
		Exclude VAT	Include VAT	Exclude VAT	Include VAT	
S2843	Copies: A3 page Colour	7.28	8.30	6.58	7.50	10.64%
S2844	Copies: A3 / Page - Education Purposes ONLY Colour	5.79	6.60	5.26	6.00	10.00%
S2845	Copies: A4 / Page	2.89	3.30	2.63	3.00	10.00%
S2846	Copies: A4 / Page - Education Purposes ONLY Black & White	1.40	1.60	1.32	1.50	10.00%
S2847	Copies: A4 page Colour	5.26	6.00	4.83	5.50	9.02%
S2848	Copies: A4 / Page - Education Purposes ONLY Colour	2.89	3.30	2.63	3.00	10.00%
S28B1	Deposit to persons non-residents - Fiction & Non-Fiction	330.00	no vat	297.00	no vat	11.11%
S28C1	Fax per page - excluding 086506 numbers	3.77	4.30	3.38	3.85	11.54%
S28C2	Fax per page - 086506 numbers	6.40	7.30	5.79	6.60	10.54%
S28D1	Lost Cards: Laminated (Ricard)	19.29	22.00	17.54	20.00	10.00%
S28D2	Laminated Cost A3	4.83	5.50	4.39	5.00	9.91%
S28D3	Laminated Cost A4	2.41	2.75	2.19	2.50	10.00%
S28E1	Penalty per book per week	1.00	no vat	1.00	no vat	0.00%
S28E2	Penalty per record/CD per week	1.00	no vat	1.00	no vat	0.00%
S28E3	Penalty per video per day	2.00	no vat	2.00	no vat	0.00%
S28F1	Scanning of Document - Black & White	16.67	19.00	14.91	17.00	11.80%
S28F2	Scanning of Document - Colour	18.42	21.00	16.67	19.00	10.50%
S28G1	Special Requests - Hold per Book	2.89	3.30	2.63	3.00	10.00%
S28G2	Special Requests - IL per Book	4.83	5.50	4.39	5.00	9.91%
S28H1	Subscriptions/ reader - Adults (Non residents)	127.19	145.00	115.79	132.00	9.85%
S28H2	Subscriptions/ reader - Children (Non residents)	78.95	90.00	72.81	83.00	8.43%
S28H3	Subscriptions/ reader - Family max 5 (Non residents)	307.02	350.00	276.83	319.00	9.72%
S28K	Visitor's fee - Handling charge / item	10.53	12.00	9.65	11.00	9.12%
S28L1	Hire of Library Hall per Hour - Fundraising event	121.05	138.00	109.65	125.00	10.40%
S28L2	Hire of Library Hall per Hour - NON- Fundraising event	21.93	25.00	19.30	22.00	13.63%
<b>S32</b>	<b>PARKING FEE</b>					
<b>S32A</b>	<b>Beaches: Grotto &amp; Kleinmond (08:00 - 16:00)(Western Cape December School Holiday)</b>					
S32A	Bus Drop off (more than 14 seats)	SCRAPPED	SCRAPPED	105.26	120.00	
S32B	Parking Buses: Municipal Parking Area per day	SCRAPPED	SCRAPPED	166.67	190.00	
S32C	Per vehicle per day or part of a day	SCRAPPED	SCRAPPED	13.16	15.00	
S32D	Residents' permit per year (only 2 per owner of seven)	SCRAPPED	SCRAPPED	52.63	60.00	
S32E	Season Ticket (per Motor Vehicle)	SCRAPPED	SCRAPPED	115.79	132.00	
<b>S32F</b>	<b>Metered parking (excluding public holidays)</b>					
S32P	Parking Monthly Permit per vehicle	424.56	484.00	385.97	440.00	10.00%
S32Q	Per Quarter Hour or part of it - Monday to Friday 08:30 - 16:00	1.75	2.00	0.88	1.00	98.86%
S32R	Per Half Hour or part of it - Monday to Friday 08:30 - 16:00	2.63	3.00	2.63	3.00	0.00%
S32S	Per Hour Normal (Monday to Friday : 08:30 - 16:00)	5.26	6.00	4.39	5.00	19.82%
S32T	Per Hour Saturday (08:30 - 13:00)	5.26	6.00	4.39	5.00	19.82%
<b>S32U</b>	<b>Kleinmond Launching (08:00 - 16:00)</b>					
S32U	Entrance fee per day (Western Cape December school holiday plus Easter Weekend)	32.45	37.00	28.95	33.00	12.12%
S32V	Season Ticket (Western Cape December School Holiday plus Easter Weekend) (Motor Vehicles)	282.45	322.00	255.14	292.00	10.28%
<b>S33</b>	<b>OPERATIONAL COST</b>					

## OVERSTRAND MUNICIPALITY

## SUNDRY TARIFF LIST

Tariff Code	Detail	2015/2016		2014/2015		10
		Exclude VAT cost + 15%	Include VAT applicable vat	Exclude VAT cost + 15%	Include VAT applicable vat	
S33A	Application fee for Installation of Street Signage (brown direction boards)					
<b>S34</b>	<b>PROPERTY ADMINISTRATION</b>					
S34A	Application for Encroachment (Administration of Immoveable Property Policy (Par. 64.2; 64.3; 64.4)	2 122.81	2 420.00	1 929.83	2 200.00	10.00%
S34B1	Application for lease of Municipal Property ( <i>excluding Sport Facilities/Sails and organs of state</i> )	2 122.81	2 420.00	1 929.83	2 200.00	10.00%
S34B2	Application for lease of Municipal Property - registered Social Care Institutions / Organisations	482.46	550.00	438.60	500.00	10.00%
	<b>Encroachment Fee:</b>					
S34C	Veranda, Balcony, Sign, Signboards or similar structure (per annum) (Par. 64.2)	366.66	418.00	333.33	380.00	10.00%
S34D	Garden areas onto Commonage, Public Open Spaces, or Conservation areas (per annum) (Par. 64.3)	366.66	418.00	333.33	380.00	10.00%
S34E	Enclosure or exclusive use or portions of the Commonage, Public Open Spaces, Road Reserves or Public Thoroughfares for gardening purposes ( <b>per m<sup>2</sup> per month</b> ) (Par. 64.4)	10.53	12.00	9.65	11.00	9.12%
	<b>Leases</b>					
S34G	Use of Municipal land for outdoor seating adjoining a Restaurant (per m <sup>2</sup> per month) (Par. 64.5)	24.50	28.00	21.93	25.00	11.99%
S34G1	Temporary use (< 12 months) of Municipal land for general purposes (per m <sup>2</sup> per month)	24.50	28.00	21.93	25.00	11.99%
<b>S34H</b>	<b>Radio Mast</b>					
S34H1	Equipment on Mast - per month per mast	1 614.04	1 840.00	1 466.87	1 672.00	10.05%
S34H2	Space in building per m <sup>2</sup> - per month	424.56	484.00	385.97	440.00	10.00%
S34H3	Space outside the building per m <sup>2</sup> - per month	212.28	242.00	192.98	220.00	10.00%
S34H4	Land for installation of a new mast per m <sup>2</sup> - per month	53.51	61.00	48.25	55.00	10.91%
	<b>Memorial Benches</b>					
S34J	Memorial Benches (Installation)	2 653.51	3 025.00	2 412.26	2 750.00	10.00%
S34K	Memorial Benches (per Annum)	212.28	242.00	192.98	220.00	10.00%
<b>S36</b>	<b>PROPERTY INFORMATION</b>					
S36A1	Clearance Certificate (R/certificate) - <b>ELECTRONIC</b>	80.70	92.00	72.81	83.00	10.84%
S36A2	Clearance Certificate (R/certificate) - <b>MANUAL</b>	245.61	280.00	221.93	253.00	10.87%
S36B1	Deeds office registrations with sales information (R/100 even or part)	106.14	121.00	96.49	110.00	10.00%
S36B2	Deeds office registrations with sales information (R/cert)	27.19	31.00	24.56	28.00	10.71%
S36C	Extract from the Valuation Roll (R/page)	8.77	10.00	7.90	9.00	11.08%
S36G1	Revaluation fee	1 517.54	1 730.00	1 379.83	1 573.00	9.98%
S36G2	Valuation Certificate (R/certificate) - <b>ELECTRONIC</b>	37.72	43.00	34.21	39.00	10.26%
S36H	Valuation Certificate (R/certificate) - <b>MANUAL</b>	127.19	145.00	115.79	132.00	9.85%
<b>S40</b>	<b>RENTAL: COMMUNITY HALLS</b>	289.47	330.00	269.47	330.00	0.00%
S40.1	All events hosted where the municipal council or administration is the official host	free of charge	free of charge	free of charge	free of charge	
S40.2	Day tariff for all approved festivals per day	796.49	908.00	723.66	825.00	10.05%
S40.3	Elections by the Electoral Commission	as per IEC policy	applicable vat	as per IEC policy	applicable vat	
<b>S40A</b>	<b>Auditorium &amp; Banqueting Hall</b>					
S40A1	Deposit for all functions (refundable)	1 700.00	no vat	1 540.00	no vat	10.39%



## SUNDRY TARIFF LIST

Tariff Code	Detail	2015/2016		2014/2015		
		Exclude VAT	Include VAT	Exclude VAT	Include VAT	
S40A2	Hire of Auditorium and Banqueting Hall per hour or part of a hour	509.65	581.00	463.16	528.00	1.10
S40A3	Hire of Auditorium per hour or part of a hour	255.26	291.00	231.58	264.00	10.04%
S40A4	Hire of Banqueting Hall per hour or part of a hour	382.46	436.00	347.37	396.00	10.23%
<b>Note</b>	<i>Hiring of Kitchen (Banqueting Hall &amp; Auditorium) used for the serving of food only is included in the living fee mentioned above as this facility forms an integral part of the building and cannot be separated there from.</i>					10.10%
S40A5	Non-fundraising events for Schools, other training institutions and sport & recreation per day	385.97	440.00	350.88	400.00	10.00%
S40A6	Piano per event	Actual Tuning Cost + R302.98 admin. Fee	Actual Tuning Cost + R345.40	Actual Tuning Cost + R275.44 admin. Fee	Actual Tuning Cost + R314.00	10.00%
S40A7	Sound OR Lighting Equipment per event (each item) per hour	80.70	92.00	72.81	83.00	10.84%
S40A8	Where use is made of the crockery and other facilities i.e. stove, fridge	530.71	605.00	482.46	550.00	10.00%
S40A9	After Midnight	tariff X 2	applicable val	tariff X 2	applicable val	
S40A10	Fund raising event: Local CBO's and NGO's per hour per venue	234.21	267.00	212.28	242.00	10.33%
S40A11	Non-fundraising event: Local CBO's and NGO's per hour per venue	159.65	182.00	144.74	165.00	10.30%
S40A12	Preparation for event - per hour / per event dependent on hourly or per event tariff applied	106.14	121.00	96.49	110.00	10.00%
S40A13	Meetings: Government departments (private meetings), NGO's and CBO's from outside the municipal area, per hour (Banquet hall)	234.21	267.00	212.28	242.00	10.33%
S40A14	Meetings: Local CBO's and NGO's per hour (Banquet hall only)	21.93	25.00	19.30	22.00	13.63%
<b>S40C</b>	<b>Barracks - Kleinmond</b>					
S40C1	Hire per room per month	35.09	40.00	31.58	36.00	11.11%
<b>S40E</b>	<b>Boardskiedersbos / Betty's Bay / Blompark / Buffelsjags / Eluxolweni / Hawston Abalone Village/Kleinmond Youth Centre / Kleinmond Club House / Masakane / Moffat Hall / Moollitsig / Overhills / Pringle Bay / Proteadorp / Stanford / Stanford Committee Room / Zweilohle</b>					
S40E4	Fundraising: (Karaoke) Per daytime or evening	234.21	267.00	212.28	242.00	10.33%
S40E5	Fundraising: (Karaoke) Per daytime or evening	95.61	109.00	86.85	99.00	10.09%
S40E7	Non-fundraising events for Schools, other training institutions and sport & recreation	192.98	220.00	175.44	200.00	10.00%
S40E8	Meetings: Local CBO's and NGO's per hour	21.93	25.00	19.30	22.00	13.63%
S40E9	Non-fundraising (parties) Per daytime or evening	117.54	134.00	105.14	121.00	10.74%
S40E10	Use of Kitchen - Fundraising events per event	212.28	242.00	192.98	220.00	10.00%
S40E11	Use of Kitchen - Non Fundraising	No charge	no val	No charge	no val	
<b>Note</b>	<i>Daytime = 07:00 - 17:00 // Evening = 18:00 - 24:00 (Charge separately)</i>					
<b>S40J</b>	<b>Kleinmond Hall, &amp; Hawston Thusing Centre</b>					
S40J1	Deposit: (refundable) Funeral Teas, Church Services, Government Intitizes & Meetings.	440.00	no val	400.00	no val	10.00%
S40J2	Deposit: Hawston Thusing Centre	1 100.00	no val	1 000.00	no val	10.00%
S40J3	Fundraising: Karaoke, Disco, competitions, etc. per daytime or evening	530.71	605.00	482.46	550.00	10.00%
S40J4	Fundraising: Karaoke, Disco, competitions, etc. per daytime or evening	95.61	109.00	86.85	99.00	10.09%
S40J5	Government Intitizes (per day)	1 635.09	1 864.00	1 485.97	1 694.00	10.04%
S40J6	Non-fundraising events for Schools, other training institutions and sport & recreation	192.98	220.00	175.44	200.00	10.00%
S40J7	Meetings: Government Departments (private meetings) & CBO's outside Municipal area per hour	234.21	267.00	212.28	242.00	10.33%
S40J8	Meetings: Local CBO's, NGO's per hour (only large groups > 30)	21.93	25.00	19.30	22.00	13.63%

## OVERSTRAND MUNICIPALITY

## SUNDRY TARIFF LIST

Tariff Code	Detail	2015/2016		2014/2015		1.10
		Exclude VAT	Include VAT	Exclude VAT	Include VAT	
S40J9	Non-fundraising: Parties, weddings, indoor sports, etc., per hour	106.14	121.00	96.49	110.00	10.00%
S40J10	Sound OR Lighting Equipment per event (each item) per hour	80.70	92.00	72.81	83.00	10.84%
S40J11	Use of kitchen (per event per day)	255.26	291.00	231.58	264.00	10.23%
S40J12	Use of kitchen (per event per day) - Welfare, churches, non-profit organizations	255.26	291.00	231.58	264.00	10.23%
S43	<b>RENTAL: HAMKERS' STALLS, OPEN SPACES &amp; BEACHES</b>					
S43A	<b>CBD</b>					
S43A1	All open stalls per day (demarcated area) excluding Western Cape December Holiday plus Easter Weekend	21.93	25.00	19.30	22.00	13.66%
S43A2	Open Stalls per day (Western Cape December Holiday plus Easter Weekend)	32.46	37.00	28.95	33.00	12.12%
S43B	<b>Outside the CBD</b>					
S43B1	Open Stalls Rental - Western Cape December Holiday plus Easter Weekend / pm	72.81	83.00	65.79	75.00	10.67%
S43B2	Open Stalls Rental - excluding Western Cape December Holiday plus Easter Weekend / pm	31.58	36.00	28.07	32.00	12.50%
S43D	<b>Public Open Space</b>					
S43D1	Car Park - Private Car Sales per day (demarcated areas)	28.95	33.00	26.32	30.00	9.97%
S43D2	Funfair, Circus etc per day	600.35	787.00	627.19	715.00	10.07%
S43D3	Welfare, churches, non-profit organizations	no charge	no vat	no charge	no vat	
S43D4	Sport Events per day	3 131.58	3 570.00	2 846.49	3 245.00	10.02%
S43F	<b>Beaches</b>					
S43F1	Beach Rentals - per day (Private functions)	1 008.77	1 150.00	916.67	1 045.00	10.05%
S46	<b>RENTAL: OFFICE</b>					
S46A	Rental per m <sup>2</sup> / pm	95.61	109.00	86.85	99.00	10.09%
S46A1	Rental per m <sup>2</sup> / pm (except the Hermanus area)	48.25	55.00	43.85	50.00	10.60%
S46A2	NGO's/NPO's per m <sup>2</sup> / pm	28.95	33.00	26.32	30.00	9.97%
S46B	Local Council Functions	no charge	no vat	no charge	no vat	
S48	<b>RENTAL: SPORT FACILITIES</b>					
S48A	<b>Spaces for Sport - Gansbaai</b>					
S48A1	Club House - per hour (private events)	133.33	152.00	121.05	138.00	10.14%
S48A2	Club House - Sport events (Overstrand Teams)	no charge	no vat	no charge	no vat	
S48A3	Club House - Sport Event - per hour	66.67	76.00	60.53	69.00	10.14%
S48A4	Sport grounds - Non Overstrand per event	1 312.28	1 496.00	1 192.98	1 360.00	10.00%
S48A6	Sport grounds - Functions/Events (excluding departmental events)	723.68	825.00	667.90	750.00	10.00%
S48A7	Gym fees per month	67.54	77.00	61.40	70.00	10.00%
S48B	<b>Overhills</b>					
S48B1	Sport grounds - Non Overstrand per event	1 312.28	1 496.00	new	new	
S48B2	Sport grounds - Functions/Events (excluding departmental events)	723.68	825.00	new	new	
S49	<b>RENTAL: UNDEVELOPED SERVICED ERYEN</b>					
S50A	Welfare Stands (Social Housing) - rent per month	26.32	30.00	new	new	
S50	<b>SCHUUS HOUSES KLEINWOND (Meerenvlei)</b>					
S50A	Rent per month	785.97	896.00	714.03	813.99	10.07%
S55	<b>SUNDRY</b>					



## OVERSTRAND MUNICIPALITY

## SUNDRY TARIFF LIST

1.10

Tariff Code	Detail	2015/2016		2014/2015	
		Exclude VAT	Include VAT	Exclude VAT	Include VAT
S56A	Access to Information as per Act (2 of 2000) - Tariffs	As Stipulated in the Act	As Stipulated in the Act	As Stipulated in the Act	As Stipulated in the Act
S56B1	Administration Cost - RD ACB	56.14	64.00	50.88	58.00
S56B2	Administration Cost - RD cheques Post Dated Cheques	actual cost + R37.72	actual cost + R43.00	actual cost + R34.21	actual cost + R39.00
S56B3	Administration Cost - Trace of Direct Deposit	77.19	88.00	70.18	80.00
S56C	Copies of Council Agendas and Minutes per annum	1 096.49	1 250.00	993.86	1 133.00
S56D1	Copies A3 page	3.33	3.80	3.07	3.50
S56D2	Copies A3 page Colour	7.02	8.00	6.58	7.50
S56D3	Copies A4 page	2.63	3.00	2.41	2.75
S56D4	Copies A4 page Colour	5.26	6.00	4.83	5.50
S56E	Foreign Bank Cost	actual cost	actual vat	actual cost	actual vat
S56F1	Fax per page - excluding 08656 numbers	3.68	4.20	3.38	3.85
S56F2	Fax per page - 08656 numbers	6.40	7.30	5.79	6.60
S56G1	Interest on accounts in arrears	prime + 4%	no vat	prime + 4%	no vat
S56G2	Placard / Poster Deposit for Elections	3 630.00	no vat	3 300.00	no vat
S56G3	Placard / Poster Deposit for Political Parties	3 630.00	no vat	3 300.00	no vat
S56H	Placard / Poster each	12.72	14.50	11.58	13.20
S56J	Duplicate Account	6.32	7.20	5.79	6.60
S55J	Section 62 of local Government: Systems Act: appeal deposit (refundable if appeal is upheld)	2 560.00	no vat	2 332.00	no vat
S55K1A	Tender objection deposit (refundable if appeal is upheld)	2 560.00	no vat	2 332.00	no vat
S55K1B	Tender objection deposit (partially upheld - refundable)	1 280.00	no vat	1 166.00	no vat
S55K2	Tender documentation Administration Fee: (less than 20 pages)	25.44	29.00	23.16	26.40
S55K3	Tender documentation Administration Fee: (more than 21 pages less than 50 pages)	138.00	158.00	125.44	143.00
S55K4	Tender documentation Administration Fee: (more than 50 pages)	562.63	630.00	501.75	572.00
S55L	Advertising Signs Auctioneers per 14days	392.98	448.00	357.02	407.00
S55K1	Laminated Cost A3	4.83	5.50	4.39	5.00
S55K2	Laminated Cost A4	2.46	2.80	2.19	2.50
S60	SWIMMING POOL				
S60A	Daily Tariffs				
S60A1	Adults - per person per DAY or part of a day	7.90	9.00	7.02	8.00
S60A2	Children (< 16years) per child per day or part of a day	No Charge	no vat	No Charge	no vat
S60A4	Gates	80.70	92.00	72.81	83.00
S60A5	Training sessions (Schools & Clubs) per season	127.19	145.00	115.79	132.00
S60B	Peak time Tariffs (Hourly tariffs) (Western Cape December Holiday plus Easter Weekend)				
S60B1	Adults - per person per hour or part of a hour	0.97	1.10	0.88	1.00
S60B2	Children (< 16years) per child per day or part of a day	No Charge	no vat	No Charge	no vat
S60B4	Gates	80.70	92.00	72.81	83.00
S85	TOW MANAGEMENT CONSULTATIONS				
S65A1	Consultation Fee (Top Management) per hour	742.98	847.00	675.44	770.00
S72	TOWN PLANNING - APPLICATION FEES				
S72A	Amendment of application and conditions	1 804.39	2 067.00	1 640.35	1 870.00



## OVERSTRAND MUNICIPALITY

## SUNDRY TARIFF LIST

Tariff Code	Detail	2014/2015		2014/2015		1:10
		Exclude VAT	Include VAT	Exclude VAT	Include VAT	
S72B	Application for amendment of SDF	2 122.81	2 420.00	1 929.83	2 200.00	10.00%
S72F	<b>Removal of Title Deed Restrictions</b>					
S72F1	Even smaller than 300 m <sup>2</sup>	394.74	450.00	391.23	446.00	0.90%
S72F2	Even larger than 300 m <sup>2</sup>	3 006.14	3 427.00	2 732.46	3 115.00	10.02%
S72G	<b>Consolidations</b>					
S72G1	Even smaller than 300 m <sup>2</sup>	371.93	424.00	New	New	
S72G2	Even larger than 300 m <sup>2</sup>	2 122.81	2 420.00	new	new	
S72H	<b>Subdivision (cumulative)</b>					
S72H1	up to 5 erven	4 139.49	4 719.00	3 763.16	4 290.00	10.00%
S72H2	6 to 10 erven	4 882.46	5 566.00	4 436.60	5 090.00	10.00%
S72H3	More than 10	6 899.12	7 865.00	6 271.93	7 150.00	10.00%
S72I	Application for Consent Uses/Special Consent	2 122.81	2 420.00	1 929.83	2 200.00	10.00%
S72I1	Application for Consent Uses/Special Consent (Even smaller than 300m <sup>2</sup> )	446.49	509.00	405.26	462.00	10.17%
S72I	<b>Application for Rezoning</b>					
S72I1	Even smaller than 300 m <sup>2</sup>	446.49	509.00	405.26	462.00	10.17%
S72I2	Even between and including 300 m <sup>2</sup> and 5000 m <sup>2</sup>	3 502.63	3 993.00	3 184.21	3 630.00	10.00%
S72I3	Even larger than 5000 m <sup>2</sup>	4 882.46	5 566.00	4 436.60	5 060.00	10.00%
S72K	<b>Departure</b>					
S72K1A	Application for Departure	2 122.81	2 420.00	1 929.83	2 200.00	10.00%
S72K1B	Application for Departure (Even smaller than 300m <sup>2</sup> )	371.93	424.00	337.72	385.00	10.13%
S72K2	Application for Departure ( <b>Building Lines</b> )					
S72K2A	Even smaller than 300 m <sup>2</sup>	405.26	462.00	405.26	462.00	0.00%
S72K2B	Even larger than 300 m <sup>2</sup>	1 736.85	1 990.00	1 736.85	1 990.00	0.00%
S72L	Amendment of site development plan, Constitution/Architectural Guidelines	1 543.86	1 760.00	new	new	
S72M	Contravention Application (Sec 40 of the Land Use Planning Ordinance, Ordinance 15 of 1985)	2 122.81	2 420.00	1 929.83	2 200.00	10.00%
S72N	Extension of Time	563.16	642.00	511.40	583.00	10.12%
S75	<b>TOWN PLANNING; LAND USE PLANNING FEE</b>					
S75A1	Advertising Costs Government Gazette	2 971.93	3 388.00	2 701.75	3 080.00	10.00%
S75A2	Advertising Costs Local newspapers	2 971.93	3 388.00	2 701.75	3 080.00	10.00%
S75A3	Advertising Costs - Placing of Final Notice in the Government Gazette	1 929.83	2 200.00	1 754.39	2 000.00	10.00%
S75B	Regulations of Zoning schemes	350.88	400.00	318.42	363.00	10.19%
S75C	Spatial Development Framework	828.07	944.00	752.63	858.00	10.02%
S75D	Zoning Certificate	212.28	242.00	192.98	220.00	10.00%
S75E	Registered Letters - more than 10 letters, applicant to pay applicable tariffs according to the South African Post Office Rates	applicable rate	applicable vat	applicable rate	applicable vat	
S75F	CD - Planning Documents	350.88	400.00	318.42	363.00	10.19%
S75G	<b>TRAFFIC</b>					
S80	<b>Business &amp; Other Events</b>					
S80J	Per officer per hour or part thereof - Min - Sat	371.93	424.00	337.72	385.00	10.13%
S80J1	Per officer per hour or part thereof - Sundays and public Holidays	424.56	484.00	385.97	440.00	10.00%
S80J2	Administrative fee for provision of officers - per application	106.14	121.00	96.49	110.00	10.00%

## SUNDRY TARIFF LIST

Tariff Code	Detail	2015/2016		2014/2015		1.10
		Exclude VAT	Include VAT	Exclude VAT	Include VAT	
<b>S80K</b>	<b>Removal of Vehicles/Towing Fee</b>					
S80K1	Removal of Vehicles per vehicle	892.11	1 017.00	810.53	924.00	10.07%
S80K2	Storage Fees per day	244.74	279.00	221.93	253.00	10.28%
S80K3	Towing Charge	Cost plus 15%	applicable vat	Cost plus 15%	applicable vat	
S80K4	Wheel Clamping per vehicle	212.26	242.00	192.98	220.00	10.00%
<b>S80L</b>	<b>Traffic Cones</b>					
S80L1	Hire of Traffic Cones per Cone per day	53.51	61.00	48.25	55.00	10.91%
<b>S80P</b>	<b>Disabled Parking Token</b>					
S80P1	Disabled Parking Token per application - valid for 2 year period	96.49	110.00	96.49	110.00	0.00%



## OVERSTRAND MUNICIPALITY

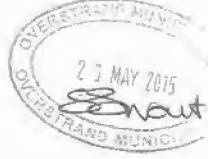
## REFUSE (SOLID WASTE)

Tariff Code	Detail	2015/2016		2014/2015	
		Exclude VAT R	Include VAT R	Exclude VAT R	Include VAT R
<b>SAN1</b>	<b>REFUSE REMOVAL (1 removal per week of 4 bags or 1X240 Bin)</b>				
	<b>DOMESTIC WASTE</b>				
SAN1A	Residential (All registered ervenueit with approved building plan) 1 x removal per week ( R/Month)	137.99	157.30	130.18	148.40
SAN1A2	Residential Indigent (All registered ervenueit with approved building plan) 1 x removal per week (R/Month)	137.99	157.30	130.18	148.40
	<b>BUSINESS WASTE</b>				
SAN1C	Commercial/Businesses (Hostels, Old Age Homes, Caravan Sites, Semi-permanent Resorts etc) (R/Month)	137.99	157.30	130.18	148.40
SAN1N1	Bulk Container 240L (Wheelely bin) (R/Month) 1 X per week (if available)	137.99	157.30	130.18	148.40
SAN1N3	Bulk Container 240L (Wheelely bin) (R/Month) 2 X per week (if available)	275.97	314.60	260.35	296.80
SAN1N4	Bulk Container 240L (Wheelely bin) (R/Month) 3 X per week CBD (if available)	413.95	471.90	390.53	445.20
SAN1N2	Bulk Container 240L (Wheelely bin) (R/Month) 4 X per week CBD (if available)	551.93	629.20	520.70	593.60
SAN1O	Bulk Container 240L (Wheelely bin) (R/Month) 5 X per week CBD (if available)	689.91	786.50	650.68	742.00
	Camp/ill Route (R/Month) (if available)	1 084.21	1 236.00	1 022.81	1 166.00
SAN1P	Additional Removals per week on <b>Saturday</b> per Bin (R/Month) Peak Time per removal	206.98	235.95	195.26	222.60
SAN1P1	Additional Removals on request Central Town (CBD) per bin (R/Month) (Sunday or Public Holidays) Peak Time per removal	275.97	314.60	260.35	296.80
SAN1O1	Caravan Sites, Chalets, Semi-permanent & Resorts (R/Month) (Ullenskraaihoek Vakansieoord; Franskrak Vakansieoord; Pearly Beach Camp, Micheal Fuchs Guesthouse) <b>NO REMOVAL (per unit/site)</b>	44.35	50.56	41.84	47.70
SAN1R	Departmental Consumption, Municipal Consumption per removal site per month	118.27	134.83	111.58	127.20
SAN1U	Schools (R/Month)	137.99	157.30	130.18	148.40
SAN1T	Removal outside service area (per removal per hour) (if available)	1 034.89	1 179.78	976.32	1 113.00
SAN1V	Single Quarters & Transit Camps per unit	44.35	50.56	41.84	47.70
SAN1W	Guesthouses, Bed & Breakfast (R/Month)	137.99	157.30	130.18	148.40
<b>SAN2</b>	<b>SELF DUMPING TRANSFER STATIONS &amp; DUMPING SITES:</b>				
	<b>BUILDERS RUBBLE</b>				
SA2A1	Vehicles up to 1 Ton per vehicle load capacity (clean builders rubble admission to transfer station)	no Charge	no Charge	no Charge	no Charge
SA2A2	Vehicles up to 1 Ton per vehicle load capacity - mixed builders rubble NO ADMISSION to Transfer Station. Only to landfill as per tariff SA2B - SA2B11	applicable tariff	applicable VAT	applicable tariff	applicable VAT
SA2B	Vehicles up to 1 Ton per vehicle load capacity	no Charge	no Charge	no Charge	no Charge
SA2B1	Vehicles >1 & up to 2 Ton per vehicle load capacity	200.00	228.00	149.12	170.00
SA2B2	Vehicles >2 & up to 3 Ton per vehicle load capacity	300.00	342.00	223.68	255.00



## REFUSE (SOLID WASTE)

Tariff Code	Detail	2015/2016		2014/2015		
		Exclude VAT	Include VAT	Exclude VAT	Include VAT	
SA2B3	Vehicles >3 & up to 4 Ton per vehicle load capacity	400.00	456.00	298.25	340.00	1.06%
SA2B4	Vehicles >4 & up to 5 Ton per vehicle load capacity	500.00	570.00	371.99	424.00	34.12%
SA2B5	Vehicles >5 & up to 6 Ton per vehicle load capacity (no admission to transfer station, only to dumping sites)	600.00	684.00	446.40	509.00	34.43%
SA2B6	Vehicles >6 & up to 7 Ton per vehicle load capacity (no admission to transfer station, only to dumping sites)	700.00	798.00	521.05	594.00	34.38%
SA2B7	Vehicles >7 & up to 8 Ton per vehicle load capacity (no admission to transfer station, only to dumping sites)	800.00	912.00	585.97	668.00	34.34%
SA2B8	Vehicles >8 & up to 9 Ton per vehicle load capacity (no admission to transfer station, only to dumping sites)	900.00	1 026.00	660.53	753.00	36.53%
SA2B9	Vehicles >9 & up to 10 Ton per vehicle load capacity (no admission to transfer station, only to dumping sites)	1 000.00	1 140.00	735.09	838.00	36.25%
SA2B11	Vehicles >10 Ton per vehicle load capacity (no admission to transfer station, only to dumping sites)	1 200.00	1 368.00	883.33	1 037.00	36.04%
SA2C	Dumping at Kanyederskraal Landfill Site by other municipalities and external parties, per Ton	122.00	139.08	new tariff	new tariff	35.85%
SA3	WEIGHT BRIDGE					
SA3A	As per tariff SA2B - SA2B11 per weighed load	applicable tariff	applicable VAT	new tariff	new tariff	
SA4	BASIC FEE REFUSE SERVICE (Even without approved building plans)					
SA4A	All registered even without approved building plans (R/Month)	88.98	78.64	65.08	74.19	6.00%
SA5	SUNDRIES					
SA5A	Rental of Bulk Container per day (including disposal)	73.99	83.71	68.86	78.50	6.00%
SA5B	Deposit - rental of bulk containers per 4 bins or less	560.00	no vat	530.00	no vat	5.66%
SA5C	Asbestos Sheet - per unit	52.25	59.57	49.30	56.20	6.00%
SA5D	Balloon Resistant 240L Wheeley bin with lock delivered to homes on programme	818.06	932.58	771.75	879.80	6.00%
THE REFUSE REMOVAL TARIFF IS MADE UP AS FOLLOWS: REMOVAL 40%, DISPOSAL 10% AND A BASIC FEE OF 50%						



## OVERSTRAND MUNICIPALITY

## SEWER TARIFF LIST

Tariff Code	Detail	2015/2016		2014/2015	
		Exclude VAT	Include VAT	Exclude VAT	Include VAT
(Dwelling house and Duplex flats,					
<b>SEWAGE - SINGLE AND INTERMEDIATE RESIDENTIAL</b>					
Conventional Sewers, small bore sewers and conservancy tanks)					
SE7A	0 - 304 per M (based on 70% of 50M water usage) - per unit per month, Conservancy tank service only during office hours per month. For after hours service, refer to tariff SE9B.				
SE7A1		10.88	12.40	10.26	11.70
<b>SEWAGE - REGISTERED INDIGENT HOUSEHOLDS</b>					
SE7A2	0 - 421H - subdivided				
SE7A3	4.3 - 354 per M (based on 70% of 50M water usage) - per unit per month, Conservancy tank service only during office hours per month. For after hours service, refer to tariff SE9B.	10.88	12.40	10.26	11.70
SE7B	<b>SEWAGE - GENERAL RESIDENTIAL (Blocks of flats and Residential Buildings)</b>				
SE7B1	0 - 424 per M (based on 90% of 50M water usage) per unit per month	10.88	12.40	10.26	11.70
SE7C	<b>SEWAGE - GUEST HOUSE, BED &amp; BREAKFAST ESTABLISHMENTS</b>				
SE7C1	per M (based on 70% of water usage) per unit per month	10.88	12.40	10.26	11.70
SE7D	<b>CONSUMPTION - ALL OTHER (Including Commercial, Industrial, School, Sport, etc)</b>				
SE7D1	per M (based on 90% of water usage) per unit per month - this percentage may be adjusted according to the Tariff Policy after investigation	10.88	12.40	10.26	11.70
SE7E	<b>CONSUMPTION - DEPARTMENTAL</b>				
SE7E1	0 - 35 M per M (based on 70% of 50M water usage) per unit per month	10.88	12.40	10.26	11.70
<b>BASIC CHARGE</b>					
SE8	Basic Monthly Charge Developed sites per effluent per month	96.61	110.13	91.14	103.90
SE8A	Basic Monthly Charge Undeveloped sites - can not connect to the network per effluent per month	65.08	74.20	61.40	70.00
SE8B	Basic Monthly Charge Undeveloped sites - can connect to the network per effluent per month	116.23	132.50	109.55	125.00
SE8C	Basic Monthly Charge Developed sites - with a septic Tank per effluent per month	65.08	74.20	61.40	70.00
SE8D	Basic Monthly Charge - Low Cost Housing & Single Quarters per effluent per month	65.08	74.20	61.40	70.00
SE8E	<b>Infrastructure</b>				
SE8F	Fixed Infrastructure Basic Charge per effluent per month	0.00	10.94	9.60	10.94
<b>OTHER SEWAGE CHARGES</b>					
SE9	<b>Vacuum Tanker Service for users not paying tariff SE7 above - PROVIDED ON REQUEST</b>				
SE9A	Minimum 300 l per M (per service based on 50M water usage) - Minimum 300 l per M (per service based on 50M water usage) - Minimum 300 l per M (per service based on 50M water usage) - Minimum 300 l per M (per service based on 50M water usage)	444.46	506.68	419.30	478.00
SE9A1	Vacuum Tanker Service provided on request < 5M (per 5M or part thereof)	444.46	506.68	419.30	478.00
SE9A2	Vacuum Tanker Service provided on request > 5M (per 5M or part thereof)	444.46	506.68	419.30	478.00
SE9A3	Call out fee for Tank Service request but no service due to another defect	444.46	506.68	419.30	478.00
SE9A4	More than 3 pipes an additional fee per pipe for users not paying tariff SE7 above	65.08	74.20	61.40	70.00
SE9A5	<b>After Hours Vacuum Tanker Service - PROVIDED ON REQUEST</b>				
SE9B	After Hours - per request < 5M (per 5M or part thereof)	888.92	1 013.36	838.60	966.00
SE9B1	After Hours - per request > 5M (per 5M or part thereof)	888.92	1 013.36	838.60	966.00
SE9B2	After Hours - per request < 5M (per 5M or part thereof)	888.92	1 013.36	838.60	966.00
SE9B3	After Hours Businesses with Public Toilets per removal	268.86	304.21	251.75	287.00
SE9B4	<b>Vacuum Tanker Service outside urban areas - PROVIDED ON REQUEST</b>				
SE9C					



## OVERSTRAND MUNICIPALITY

## SEWER TARIFF LIST

Tariff Code	Detail	2015/2016		2014/2015	
		Exclude VAT	Include VAT	Exclude VAT	Include VAT
SE9C1	Normal Applicable Tariff (SE9A1 or SE9A2 or SE9A4) PLUS additional per hour PLUS SE9C2	266.86	304.21	251.75	287.00
SE9C2	Normal Applicable Tariff (SE9A2) plus additional per km	13.02	14.84	12.28	14.00
SE9C8	After Hours for Vacuum Tanker Service outside urban areas - PROVIDED ON REQUEST				
SE9C7	As per tariff SA28 - SA2811				
SE9C7	After Hours Applicable Tariff (SE9B2) plus additional per km	applicable tariff	applicable VAT	251.75	287.00
SE10	<b>SUNDRY CHARGES</b>	13.02	14.84	12.28	14.00
SE9D	<b>Testing and Connection Fees</b>				
SE9D1	Testing of the septic and conveyance tanks per test	1 156.14	1 316.00	1 050.88	1 198.00
SE9D2	Smaller sewerage connection fee + tank test	5 307.02	6 050.00	4 824.56	5 500.00
SE9D3	Sewer Connection	3 970.32	4 533.00	3 014.94	4 124.00
SE9E	<b>Disposal</b>				
SE9E1	Charge per M or part thereof	57.89	66.90	52.83	60.00

**The cut off time for service delivery on the same day will be at 15:00. Any requests for tanker services after 15:00 will be charged at the after hour rate or will stand over until the next working day.**

## DC3 BULK SERVICES DEVELOPMENT FEES

Development Contributions will be determined as set out in the Agreement in respect of Development Contribution Policy



## OVERSTRAND MUNICIPALITY

## ELECTRICITY

Tariff Code	Detail	2015/2016		2014/2015	
		Exclude VAT	Include VAT	Exclude VAT	Include VAT
<b>ED</b>	<b>ELECTRICITY CONSUMER DEPOSITS</b>				
ED2A1	Large Power User Group tariff E5 (excluding Klammond)	R	no vat	0.00	no vat
ED2B2	Large Power User Group tariff E5 (Klammond 2 weeks (highest) average consumption	R	no vat	calculated	no vat
ED2C3	Two Times average consumption during the preceding 12 months (Defaulters)	R	no vat	calculated	no vat
ED3A	Domestic & Commercial Single Phase Credit Meter (Two Part Tariff) Electricity	R	no vat	4 674.25	4 166.00
ED3B	Two Times average consumption during the preceding 12 months (Defaulters)	R	no vat	calculated	no vat
ED4A	Domestic Three Phase Credit Meter (Two Part Tariff) - Electricity	R	no vat	7 891.03	7 033.00
ED4B	Two Times average consumption during the preceding 12 months (Defaulters)	R	no vat	calculated	no vat
ED5A	Commercial Three Phase Credit Meter (Two Part Tariff) - Electricity	R	no vat	9 227.33	8 224.00
ED5B	Two Times average consumption during the preceding 12 months (Defaulters)	R	no vat	calculated	no vat
ED6A	Domestic & Commercial Single Phase P/Paid (Two Part Tariff) - Electricity	R	no vat	440.44	424.00
ED7A	Domestic & Commercial Three Phase P/Paid (Two Part Tariff) - Electricity	R	no vat	1 382.24	1 304.00
ED8	Deposit - Registered Indigent	R	no vat	146.28	138.00
<b>EF</b>	<b>FIXED CHARGES</b>				
EFT	Infrastructure Charge per Meter per month	R	18.98	16.95	18.98
<b>E1</b>	<b>SINGLE PHASE - DOMESTIC</b>				
E1A	Two-Part Tariff: Credit meters up to 60 Amp (13.8 kVA BMD) (Including Resorts)	R	247.19	204.56	233.20
E1A1	Basic Monthly charge per meter	R	216.83		
E1A2	kWh Unit cost	C	107.67	122.74	109.39
E1A3	IBT BLOCK 1 0 - 350 kWh	C	145.88	166.30	130.02
E1A4	IBT BLOCK 2 351 - 600 kWh	C	175.82	200.43	148.22
E1A5	IBT BLOCK 3 > 600 kWh	C			178.64
E1B	Two-Part Tariff: Pre-Paid up to 60 Amp (13.8 kVA BMD) (Including Resorts)	R	247.19	204.56	233.20
E1B1	Vehicles up to 1 Ton per vehicle load capacity - mixed builders rubble NO ADMISSION to Transfer St	R	216.83		
E1B2	kWh Unit cost	C	96.45	113.38	88.64
E1B3	IBT BLOCK 1 0 - 350 kWh	C	137.46	156.71	122.52
E1B4	IBT BLOCK 2 351 - 600 kWh	C	159.00	192.66	150.62
E1B5	IBT BLOCK 3 > 600 kWh	C			171.71
<b>E1C</b>	<b>SINGLE PHASE - COMMERCIAL</b>				
E1C1	Basic Monthly charge per meter	R	216.83	247.19	204.56
E1C2	kWh Unit cost - Credit Meters	C	149.45	170.37	133.20
E1C3	kWh Unit cost - Pre-paid meters	C	140.83	169.55	125.52
E1D	Life Line One part tariff (Pre-paid meters only) ≤ 30 Amp with Maximum consumption of 350 kWh with average measured over twelve month period. Only available to Informal dwellings				
E1D1	kWh Unit cost				
E1D2	IBT BLOCK 1 0 - 350 kWh	C	98.62	112.43	87.90
E1E	One part tariff (Pre-paid meters only) Local Economic Development Projects				
E1E1	kWh Unit cost				
E1E2	As per tariff SA2B - SA2B11		Applicable Tariff	Applicable Vat	173.12
<b>E3</b>	<b>THREE PHASE: COMMERCIAL &amp; DOMESTIC</b>				
E3E	Two-Part Tariff: (up to 100A Credit) (70 kVA BMD) DOMESTIC				

## OVERSTRAND MUNICIPALITY

## ELECTRICITY

Tariff Code	Detail	2015/2016		2014/2015	
		Exclude VAT	Include VAT	Exclude VAT	Include VAT
E3E1	Basic Monthly charge per meter	R	433.67	484.38	466.40
E3E2	kWh Unit cost				
E3E2	BT BLOCK 1 0 - 350 kWh	c	107.67	122.74	95.96
E3E3	BT BLOCK 2 351 - 600 kWh	c	145.88	166.30	130.02
E3E4	BT BLOCK 3 > 600 kWh	c	175.82	200.43	156.79
E3E	Two-Part Tariff: (up to 100A, Prepaid) (70 kVA BDMD) DOMESTIC				
E3E5	Basic Monthly charge per meter	R	433.67	484.38	466.40
E3E5	kWh Unit cost				
E3E6	BT BLOCK 1 0 - 350 kWh	c	99.45	113.38	88.64
E3E7	BT BLOCK 2 351 - 600 kWh	c	137.46	156.71	122.52
E3E8	BT BLOCK 3 > 600 kWh	c	169.00	192.06	150.62
E3E	Two-Part Tariff: (up to 100A, Credit) (70 kVA BDMD) COMMERCIAL				
E3E9	Basic Monthly charge per meter	R	433.67	484.38	466.40
E3E10	kWh Unit cost	c	149.45	170.37	133.20
E3E	Two-Part Tariff: (up to 100A, Prepaid) (70 kVA BDMD) COMMERCIAL				
E3E11	Basic Monthly charge per meter	R	433.67	484.38	466.40
E3E12	kWh Unit cost	c	140.63	160.55	125.52
E3G	One-Part Tariff: (up to 100A, only prepaid) (70 kVA BDMD)				
E3G1	Businesses, Flats, Sport grounds, Churches (minimum of 800kWh average for twelve months)	c	186.58	212.70	166.29
E5	kWh Unit cost				
E5	TIME OF USE TARIFF (≥ 70kVA)				
E5A1	Service Charge (per month) for MV and LV consumers	R	2 335.53	2 662.50	New Structure
E5A2	Administrative and Service charge per month	R	22.00	25.08	New Structure
E5A3	Network demand charge kVA: Utilised capacity	R	17.50	19.95	New Structure
E5A3	Network Capacity Charge kVA: Unutilised Maximum Demand (NMD)				
E5A4	Medium Voltage Metering Points (11000V) > 500kVA	c	40.00	45.60	New Structure
E5A5	Oil Peak kWh Unit Charge	c	72.00	82.08	New Structure
E5A6	Standard kWh Unit Charge	c	294.00	266.76	New Structure
E5A6	Peak kWh Unit Charge	c			New Structure
E5A7	Low Voltage Metering Points (400V) > 70kVA ≤ 500kVA	c	43.00	49.02	New Structure
E5A8	Oil Peak kWh Unit Charge	c	75.00	85.50	New Structure
E5A9	Standard kWh Unit Charge	c	237.00	270.18	New Structure
E5A9	Peak kWh Unit Charge	c			New Structure
E5A10	Sundry Charges	R	860.45	980.91	874.25
E5A10	Excess NOTIFIED MAXIMUM DEMAND (NMD) per kVA Per month				
E6	SUBSIDIZED TARIFFS; Grant to be shown separately				
E6	PUBLIC LIGHTING				
E6A1	Streetlights (metered) per kWh	c	64.34	73.35	65.37
E6A2	Streetlights (consumption) (R per 100watt /per month)	R	22.57	25.73	20.12
E6A3	Illuminated street sign boards per month	R	22.57	25.73	20.12
E7	CASUAL SUPPLIES				
E7A1	Per connection includes disconnection excluding hire of kiosk	R	885.04	986.15	786.40
E8					
E8A1					



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Tariff Code	Detail	2015/2016		2014/2015	
		Exclude VAT	Include VAT	Exclude VAT	Include VAT
E8A2	Consumption per day/CB Ampere size (per amp) if not metered	R 6,20	7,07	5,64	6,43
E8A3	Hire of temporary distribution kiosk, per kiosk, per occasion	R 337,72	385,00	307,02	350,00
E8A4	Deposit (Usage will be subtracted)	R 1 166,00	no vat	1 060,00	no vat
<b>E9 AVAILABILITY CHARGES</b>					
E9A1	Availability charge per vacant plot per month	R 216,83	247,19	204,56	233,20
E9A2	Infrastructure per vacant plot per month	R 16,65	18,98	16,65	18,98
<b>E10 SUNDURY CHARGES</b>					
E10A1	Call-out Fee - (office hours)	R 541,32	617,10	452,11	541,00
E10A2	Call-out Fee - after hours (Weekdays & Saturdays)	R 817,28	931,70	742,98	847,00
E10A3	Call-out Fee - after hours (Sundays & Public Holidays)	R 1 082,63	1 234,20	984,21	1 122,00
E10A4	MV - Switching on Council's equipment (office hours)	R 1 613,33	1 839,20	1 466,67	1 672,00
E10A5	MV - Switching on Council's equipment - after hours (Weekdays & Saturdays)	R 2 420,00	2 758,80	2 200,00	2 508,00
E10A6	MV - Switching on Council's equipment - after hours (Sundays & Public holidays)	R 3 226,67	3 678,40	2 933,34	3 344,00
E10A7	Contractor Inspection 2nd	R 541,32	617,10	452,11	541,00
E10A8	Contractor Inspection 3rd	R 817,28	931,70	742,98	847,00
E10A9	Change of Circuit Breaker - SiPhase (Iannum) contact Electricity Department for approval	R 456,40	520,30	414,91	473,00
S15A5	Change of Circuit Breaker - 3 Phase (Iannum) contact Electricity Department for approval	R 902,19	1 028,49	820,17	934,99
E10A11	Disconnection	R 265,35	302,50	241,23	275,08
E10A12	Reconnection	R 265,35	302,50	241,23	275,08
E10A13	Verification of a Meter Reading	R 265,35	302,50	241,23	275,08
E10A14	Administration fee - recalculation due to no meter access	R 137,98	157,30	125,44	143,08
E10A15	Test of Meter - 1 & 3 Phase (Conditionally Refundable)	R 488,25	566,60	443,86	506,00
E10A16	Test of Meter - All other Meters (Conditionally Refundable)	R 1 008,33	1 149,50	916,67	1 045,00
E10A17	Tariff change - change between one part and two part	R 189,44	205,76	164,04	187,00
E10A18	Damage elect meter (posed on meter cost + call out X 2 + 15%)	R 1 695,00	1 932,30	1 061,40	1 210,00
E10A19	Damage elect meter 3 phase (based on meter cost + call out X 2 + 15%)	R 1 836,22	2 093,30	1 669,30	1 903,00
E10A19A	Replacement of OIU (Meter keypad)	R 847,37	966,00	NEW	NEW
E10A20	Damage of Bulk meter	R 9 393,42	10 708,50	8 539,48	9 735,00
E10A21	Change from Bulk to Time of Use (with existing bulk meter) + Deposit on request of user	R 941,32	617,10	452,11	541,00
E10A22	Change from Bulk to Time of Use (without existing bulk meter) + Deposit	R 9 393,42	10 708,50	8 539,48	9 735,00
E10A23	Commission of Bulk meter, supplied by customer (callout x 2)	R 1 634,56	1 853,40	1 485,97	1 694,00
E10A24	Damage of HV Cable	R cost + R30 250,00	Applicable Vat	cost + R27 500,00	Applicable Vat
E10A25	Damage of MV Cable	R cost + R7 907,46	Applicable Vat	cost + R7 188,60	Applicable Vat
E10A26	Damage of LV Cable	R cost + R3 184,21	Applicable Vat	cost + R2 854,74	Applicable Vat
E10A27	Damage of Service Connection Cable	R cost + R796,05	Applicable Vat	cost + R723,68	Applicable Vat
E10A28	Working without Way leave	R 4 081,00	4 652,34	3 710,00	4 229,40
E10A29	Reluctable Wayleave deposit for HV cables	R 58 300,00	no vat	53 000,00	no vat
E10A30	Reluctable Wayleave deposit for MV cables	R 14 575,00	no vat	13 250,00	no vat

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Tariff Code	Detail	2015/2016		2014/2015	
		Exclude VAT	Include VAT	Exclude VAT	Include VAT
E10A31	Refundable Way leave deposit for LV cables	R	no vat	2 852.00	no vat
E10A32	Cancellation Fee of requested service	R	no vat	15% of Service Value	no vat
E10A33	Erection and removal of Banners, signs & lights (per hour) (Vehicle cost + labour)	R	600.00	752.40	1 254.00
E12	<b>CONVERSION OF METERS</b>				
E12A1	Convert Credit Meter to P/P- SP (no cable work) (Based on meter cost + call out X 2 + 15%)	R	904.03	1 064.80	568.00
E12A2	Convert Credit Meter to P/P- 3P (no cable work) (Based on meter cost + call out X 2 + 15%)	R	2 220.00	2 530.80	3 520.00
E12A3	Convert Credit Three Phase to Single Phase P/P meter	R	1 138.60	1 298.00	1 180.00
E12A4	Convert Credit Three Phase to Single Phase Credit (Commercial only)	R	859.74	980.10	891.00
E12A5	Convert P/P Single Phase to Three Phase P/P (based on tariff E13A8) cost included cable to boundary	R	R8,724 + ext fee	Applicable Vat	Applicable Vat
E12A6	Convert P/P Three Phase to Single Phase P/P (based on meter cost = call out x 2 + CB = 15%)	R	1 167.54	1 331.00	1 210.00
E12A7	Removal of Meter	R	541.32	617.10	561.00
E12A8	Repositioning of Meter (excl. cable)	R	541.32	617.10	561.00
E12A9	Repositioning of Meter (incl. cable)	R	1 326.75	1 512.50	1 375.00
E13	<b>SERVICE CONNECTIONS</b>				
E13A1	Billiards connection (plus applicable service connection tariff)	R	700.53	798.60	726.00
E13A2	Single Phase (Credit - 60A) option for Commercial users only	R	4 723.25	5 384.50	4 695.00
E13A5	Single Phase - (Pre-paid meters - 60A) applicable to Domestic users (Network Permitted)	R	4 723.25	5 384.50	4 695.00
E13A7	Three Phase - (Credit - 60A) Plus Extension fee	R	R8,724.74 + ext fee	Applicable Vat	Applicable Vat
E13A8	Three Phase - (Pre-Paid - 60A) Plus Extension fee	R	R8,724.74 + ext fee	Applicable Vat	Applicable Vat
E13A9	Non Standard - Pre-paid 30 Amp Single phase (Sub economic connections)	R	2 865.79	3 267.00	2 970.00
E13A10	Single Phase (Credit 60A- Developer install cable to boundary ) option for Commercial users only	R	1 326.75	1 512.50	1 375.00
E13A11	Single Phase (Pre-Paid 60A-Developer install cable to boundary) applicable to Domestic users (Network permitted)	R	1 231.22	1 403.60	1 276.00
E13A12	Three Phase (Credit 60A- Developer install cable to boundary )	R	R2,706.57 + ext fee	Applicable Vat	Applicable Vat
E13A13	Three Phase (Pre-Paid 60A-Developer install cable to boundary)	R	R2,706.57 + ext fee	Applicable Vat	Applicable Vat
E13A16	Any other none standard connections	R	cost + 15% admin	Applicable vat	Applicable vat
E14	<b>REMEDIAL ACTION FEE (TAMPERING) (including damage or bypass of the DSM Hot Water Cylinder Control Unit)</b>				
E14A1	1 st Offence	R	3 230.70	no vat	no vat
E14A2	2 nd Offence (E14A1 X 2)	R	6 461.40	no vat	no vat
E14A3	3 rd Offence and re-occurrence (Disconnection of service and remedial action fee = double previous offence fee)	R	Previous offence amount X 2	Cost of new Connection plus 50%	Applicable Vat
E14A4	Ukase/ Illegal leads (per visit ) (reconnection fee included)	R	1 447.37	1 650.00	1 500.00
E15	<b>UPGRADING EXTENSION FEES (Network permitted : to be approved by Electricity Department)</b>				
E15A1	Primary Cost p/kVA -include all HV Equipment UP to HV Substation or identified point of supply excluding Dist. TF	R	1 152.98	1 325.80	1 859.00
E15A2	Primary Cost p/kVA -include all MV Equipment UP to Main Substation or identified point of supply excluding Dist. TF	R	3 187.61	3 633.88	3 158.80
E15A3	Secondary Cost p/kVA -include all MV Equipment UP to Main Substation or identified point of supply including Dist. TF	R	4 080.19	4 628.62	4 658.50

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Tariff Code	Detail	2015/2016		2014/2015	
		Exclude VAT	Include VAT	Exclude VAT	Include VAT
E15A4	Secondary Cost per kVA - include all MV Equipment UP to Main Substation or identified point of supply including Dist. TF and K's&K	R	5 297.96	5 133.34	5 852.00
E15A5	Buying/Retire of spare capacity cost/kVA	R	100% of approved installation cost	50%	Applicable VAT
E15A6	Investigation Fee	R	3 237.28	2 942.98	3 355.00
E15A7	FACTOR OF 0.36 APPLICABLE ON DOMESTIC USERS - TARIFF - applicable on E15A3 AND E15A4 (Commercial/Business no factor apply)	R	Factor 0.36	Factor 0.36	Applicable VAT
<b>DEVELOPMENT CONTRIBUTIONS (Bulk Service Levies - BiCL)</b>					
DC2A	Sub Division of existing erf				
DC2A1	Single Phase 50 AMP (5 kVA) Domestic X Tariff E15A4 = PERF PLUS STANDARD CONNECTION FEES	R	26 489.30	30 187.80	28 482.00
DC2B	New Developments				
DC2B1	Standard fee per Single Phase Domestic erf - infrastructure provide by developer (13.8 kVA x E15A2 x 36)	R	15 836.05	18 053.10	16 285.11
DC2B2	Standard fee per Three Phase Domestic erf - infrastructure provide by developer (42kVA x E15A2 x 36)	R	48 195.66	54 944.19	49 563.38
DC2C	MV/LV Bulk Supply with metering point cost / kVA = Tariff E15A2	R	3 187.61	3 633.88	3 189.00
DC2C1	LV Bulk Supply if capacity is available on existing TF cost / kVA = Tariff E15A3	R	4 060.19	4 628.02	4 532.00
E17	<b>WHEELING TARIFF</b>				
E17A1	First network situation (network will not be interrupted under normal operations)	c	19.11	21.78	19.80
E17A2	Non-Firm network situation (Municipal networks may not always be available for transport of energy under normal operation per kWh)	c	11.67	13.30	12.10



1.1000  
1.0600  
1.1220  
3.2050%  
10.0000%  
6.0987%  
10.8565%  
10.8564%  
13.9502%  
2.1318%  
10.0000%  
10.0000%

## OVERSTRAND MUNICIPALITY

## WATER TARIFFS

Tariff Code	Detail	2015/2016		2014/2015	
		Exclude VAT	Include VAT	Exclude VAT	Include VAT
<b>CONSUMER DEPOSITS</b>					
WD	Domestic - Water	955.00	no vat	901.00	no vat
WD1A	Two Times average consumption during the preceding 12 months (Defaulters)	calculated	no vat	calculated	no vat
WD1B	Commercial - Water - Consumption < 40kl	2 191.00	no vat	2 057.00	no vat
WD2A	Two Times average consumption during the preceding 12 months (Defaulters)	calculated	no vat	calculated	no vat
WD3A	Commercial - Water - Consumption 40 - 100kl	7 722.00	no vat	7 722.00	no vat
WD3B	Two Times average consumption during the preceding 12 months (Defaulters)	calculated	no vat	calculated	no vat
WD4A	Commercial - Water - Consumption 100 kl +	12 855.00	no vat	12 137.00	no vat
WD4B	Two Times average consumption during the preceding 12 months (Defaulters)	calculated	no vat	calculated	no vat
WD5A	Domestic - Water RUE's	Applicable Rue's X WD1A	no vat	Applicable Rue's X WD1A	no vat
WD5B	Two Times average consumption during the preceding 12 months (Defaulters)	calculated	no vat	calculated	no vat
WD5C	Indigent - registered	150.00	no vat	138.00	no vat
<b>BASIC CHARGE</b>					
WI1	Basic Monthly Charge per effluent per month	108.42	123.60	102.28	116.60
WI1A	Fixed Infrastructure Basic Charge per effluent per month	15.45	17.61	15.45	17.61
<i>See attachment for the amount of RUE's allocated to different household consumers</i>					
<b>CONSUMPTION - HOUSEHOLDS</b>					
<b>Normal Tariff</b>					
W1B1	0 - 6 kl per kl	3.62	4.13	3.25	3.71
W1B2	7 - 18 kl per kl	9.12	10.39	8.60	9.80
W1B3	19 - 30 kl per kl	14.79	16.86	13.95	15.90
W1B4	31 - 45 kl per kl	22.76	26.95	21.48	24.48
W1B5	46 - 60 kl per kl	29.57	33.71	27.90	31.81
W1B6	Vehicles up to 1 Ton per vehicle load capacity - mixed builders rubble NO ADMISSION to Transfer Station	39.43	44.95	37.20	42.40
<b>Restriction Tariff (level 1 restrictions)</b>					
W1B7	0 - 6 kl per kl	4.71	5.37	4.23	4.82
W1B8	7 - 18 kl per kl	11.85	13.51	11.18	12.74
W1B9	19 - 30 kl per kl	19.22	21.91	18.13	20.67
W1B10	31 - 45 kl per kl	29.59	33.74	27.92	31.83
W1B11	46 - 60 kl per kl	38.45	43.83	36.27	41.35
W1B12	>60kl per kl	51.25	58.43	48.36	55.12
<b>Restriction Tariff (level 2 restrictions)</b>					
W1B13	0 - 6 kl per kl	5.80	6.61	5.21	5.94
W1B14	7 - 18 kl per kl	14.59	16.63	13.75	15.68
W1B15	19 - 30 kl per kl	23.66	26.97	22.31	25.43
W1B16	31 - 45 kl per kl	36.42	41.52	34.36	39.17
W1B17	46 - 60 kl per kl	47.32	53.94	44.64	50.89
W1B18	>60 per tariff SA2B - SA2B11	applicable tariff	applicable VAT	59.51	67.84
<b>Restriction Tariff (level 3 restrictions)</b>					
W1B19	0 - 6 kl per kl	7.25	8.26	6.51	7.42

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## WATER TARIFFS

Tariff Code	Detail	2015/2016		2014/2015		
		Exclude VAT	Include VAT	Exclude VAT	Include VAT	
WTB20	7 - 18 kl per kl	18.23	20.78	17.19	19.60	1.06
WTB21	>18 kl per kl	78.85	89.89	74.39	84.80	1.10
WTB1	CONSUMPTION - REGISTERED INDIGENT HOUSEHOLDS					
	Normal Tariff					6.00%
WTB11	0 - 6 kl per kl - subsidised	3.62	4.13	3.25	3.71	11.50%
WTB12	7 - 18 kl per kl	9.12	10.39	8.60	9.80	6.00%
WTB13	19 - 30 kl per kl	14.79	16.86	13.95	15.90	6.00%
WTB14	31 - 45 kl per kl	22.76	25.95	21.48	24.48	6.00%
WTB15	46 - 60 kl per kl	29.57	33.71	27.90	31.81	6.00%
WTB16	>60 kl per kl	39.43	44.95	37.20	42.40	6.00%
	Restriction Tariff (level 1 restrictions)					11.37%
WTB17	0 - 6 kl per kl - subsidised	4.71	5.37	4.23	4.82	6.06%
WTB18	7 - 18 kl per kl	11.85	13.51	11.18	12.74	6.03%
WTB19	19 - 30 kl per kl	19.22	21.91	18.13	20.67	6.03%
WTB110	31 - 45 kl per kl	29.59	33.74	27.92	31.83	5.98%
WTB111	46 - 60 kl per kl	38.45	43.83	36.27	41.35	6.00%
WTB112	>60 kl per kl	51.25	58.43	48.35	55.12	6.00%
	Restriction Tariff (level 2 restrictions)					11.29%
WTB113	0 - 6 kl per kl - subsidised	5.80	6.61	5.21	5.94	6.08%
WTB114	7 - 18 kl per kl	14.59	16.63	13.75	15.68	6.05%
WTB115	19 - 30 kl per kl	23.68	26.97	22.31	25.43	6.00%
WTB116	31 - 45 kl per kl	36.42	41.52	34.36	39.17	6.00%
WTB117	46 - 60 kl per kl	47.32	53.94	44.64	50.89	6.00%
WTB118	>60 kl per kl	63.08	71.91	59.51	67.84	6.00%
	Restriction Tariff (level 3 restrictions)					11.33%
WTB119	0 - 6 kl per kl - subsidised	7.25	8.26	6.51	7.42	6.06%
WTB120	7 - 18 kl per kl	18.23	20.78	17.19	19.60	
WTB21	>18 kl per kl	78.85	89.89	74.39	84.80	
WTC	CONSUMPTION - ALL OTHER					
	Normal Tariff					11.50%
WTC1	0 - 18 kl per kl	9.59	10.93	8.60	9.80	6.00%
WTC2	19 - 30 kl per kl	14.79	16.86	13.95	15.90	6.00%
WTC3	31 - 45 kl per kl	22.76	25.95	21.48	24.48	6.00%
WTC4	46 - 60 kl per kl	29.57	33.71	27.90	31.81	6.00%
WTC5	>60 kl per kl	39.43	44.95	37.20	42.40	6.00%
	Restriction Tariff (level 1 restrictions)					11.55%
WTC6	0 - 18 kl per kl	12.47	14.21	11.18	12.74	6.03%
WTC7	19 - 30 kl per kl	19.22	21.91	18.13	20.67	5.98%
WTC8	31 - 45 kl per kl	29.59	33.74	27.92	31.83	6.00%
WTC9	46 - 60 kl per kl	38.45	43.83	36.27	41.35	6.01%
WTC10	>60 kl per kl	51.25	58.43	48.35	55.12	
	Restriction Tariff (level 2 restrictions)					11.58%
WTC11	0 - 18 kl per kl	15.34	17.40	13.75	15.68	

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## WATER TARIFFS

Tariff Code	Detail	2015/2016		2014/2015		
		Exclude VAT	Include VAT	Exclude VAT	Include VAT	
W1G12	19 - 30 M per M	23.68	26.97	22.31	25.43	1.00%
W1G13	31 - 45 M per M	36.42	41.52	34.39	39.17	1.10%
W1G14	46 - 60 M per M	47.32	53.94	44.64	50.80	6.05%
W1G15	>60 M per M	63.08	71.91	59.51	67.84	6.00%
Restriction Tariff (level 3 restrictions)						
W1G16	0 - 10 M per M	19.18	21.86	17.19	19.60	11.56%
W1G17	>10 M per M	78.85	89.89	74.36	84.80	6.00%
OTHER CONSUMERS						
W1D	Departmental per M	13.95	15.90	13.95	15.90	0.00%
W1D1	Free Houses: Basic per Month	137.99	152.30	130.18	148.40	0.00%
W1D2	Bulk usage (Unconnected to network) per M	11.16	12.72	11.16	12.72	0.00%
W1D3	Kid Bowls (Van Culler 0 - 90000) per year	0.08	0.09	0.08	0.09	0.00%
W1D4	Crane Small Holdings tariff 2 (Van Culler)	0.08	0.09	0.08	0.09	0.00%
W1D5	Crane Small Holdings tariff 4 (Per agreement)	1.05	1.20	1.05	1.20	0.00%
W1D6	Contractors water consumption - temporary connection	13.95	15.90	13.95	15.90	0.00%
W1E	WET COMMERCIAL, SPORT, PARKS etc (must apply for this tariff)					RD/VP
Normal Tariff						
W1E1	0 - 500M per M	13.95	15.90	13.95	15.90	0.00%
W1E2	501 - 1000M per M	22.18	25.28	20.92	23.85	0.00%
W1E3	>1000M per M	29.57	33.71	27.90	31.81	6.00%
Restriction Tariff (level 1 restrictions)						
W1E4	0 - 350M per M	18.14	20.67	18.13	20.67	0.03%
W1E5	301 - 700M per M	28.83	32.86	27.20	31.01	5.98%
W1E6	>700M per M	38.45	43.83	36.27	41.34	6.01%
Restriction Tariff (level 2 restrictions)						
W1E7	0 - 250M per M	22.32	25.44	22.32	25.44	0.00%
W1E8	251 - 500M per M	35.48	40.45	33.48	38.16	5.99%
W1E9	>500M per M	47.32	53.94	44.64	50.80	6.01%
Restriction Tariff (level 3 restrictions)						
W1E10	0 - 100M per M	27.90	31.81	27.90	31.81	0.00%
W1E11	>100 M per M	58.15	67.43	55.79	63.60	6.02%
W1F	WET INDUSTRY (Marine etc. must apply for this tariff) (Average of 100M per day over previous 365 days)					
Normal Tariff						
W1F1	0 - 5000M per M	14.53	16.56	13.03	14.85	11.50%
W1F2	> 5000M per M	29.57	33.71	27.90	31.81	6.00%
Restriction Tariff (level 1 restrictions)						
W1F3	0 - 5000M per M	18.89	21.53	16.94	19.31	11.49%
W1F4	> 5000M per M	38.45	43.83	36.27	41.35	6.00%
Restriction Tariff (level 2 restrictions)						
W1F5	0 - 5000M per M	23.25	26.50	20.85	23.77	11.46%
W1F6	> 5000M per M	47.32	53.94	44.64	50.80	6.00%
Restriction Tariff (level 3 restrictions)						



## OVERSTRAND MUNICIPALITY

## WATER TARIFFS

Tariff Code	Detail	2015/2016		2014/2015	
		Exclude VAT	Include VAT	Exclude VAT	Include VAT
W1F7	0 - 5 800kl per kl	29.06	33.12	26.06	29.71
W1F8	>5 800 kl per kl	59.15	67.43	55.79	63.60
W2A	AVAILABILITY CHARGES				
W2A1	Overstrand per month	108.42	123.60	102.28	116.60
W2A2	Farms connected to water pipe line	108.42	123.60	102.28	116.60
W2J	REBATES (This can be granted by the Municipal Manager after application) refer to Policy # 6.8.1				
W2J1	Kl above average - per kl	13.95	15.90	13.95	15.90
W2A	IRRIGATION WATER ("LEI WATER") & RAW WATER				
W3A1	Use and pump water (60-90 min) per annum Standford	225.72	257.32	212.94	242.75
W3A2	Pearly Beach Small Holdings: Basic	40.40	46.05	36.11	43.45
W3A3	Pearly Beach Small Holdings: Consumption 0- 70 kl per kl	3.16	3.60	2.98	3.40
W3A4	Pearly Beach Small Holdings: Consumption >70 kl per kl	7.39	8.42	6.97	7.95
W3A5	Others	3.16	3.60	2.98	3.40
W3A6	Farm 1/722 Standford as per agreement 1.75% of raw water abstraction from municipal boreholes, maximum 8760 kLa	0.00	0.00	0.00	0.00
W3B	IRRIGATION WATER - (TREATED EFFLUENT)				
W3B2	Hermanus Golf Club per month	35 975.44	41 012.00	33 938.60	38 660.00
W3B3	All other per kl	2.02	2.30	1.89	2.15
W3B4	Schools, municipal sports grounds & project sport grounds as per agreement		no charge		no charge
W3B5	Curro Holdings - 250kl free per day as per deed of sale	2.02	2.30	1.89	2.15
W4	SUNDRY CHARGES				
W4A1	Testing of a Meter (Call-out Fee incl)(Conditionally refundable)	723.68	825.00	657.90	750.00
W4A2	Testing of a Meter (Ind/Bulk Meter)(Conditionally refundable)				
W4A3	Disconnection				
W4A4	Reconnection	328.07	374.00	297.54	339.20
W4A5	Reconnection After Normal Working Hours	328.07	374.00	297.54	339.20
W4A6	Administration fee - recalculation due to no meter access	656.14	748.00	595.09	678.40
W4A7	Verification of a Meter Reading	128.07	146.00	116.23	132.50
W4A8	Final and Special Readings	179.83	205.00	162.72	185.50
W4A9	Call out Fee - Normal Working Hours	164.04	187.00	148.77	169.60
W4A10	Call out Fee - After Hours	328.07	374.00	297.54	339.20
W4A11	Registration of Borehole (including inspection fee)	656.14	748.00	595.09	678.40
W4A12	Repositioning of Meter (excl pipe)	245.61	280.00	223.16	254.40
W4A13	Conversion to Water Flow Restrictor Meter	721.05	822.00	655.53	747.30
W4A14	Temporary Connections - Deposit	2 348.25	2 677.00	2 134.21	2 433.00
W4A15	Temporary Connection - Usage per kl	6 180.00	no vat	5 618.00	no vat
W4A16	Damage of Water Meter	11.58	13.20	10.53	12.00
W4A17	Damage of Watermain		Applicable vat	Actual cost plus 15%	Applicable vat
W4A18	Damage of Service Connection (including water meter)		Applicable vat	Actual cost plus R2,268.40	Applicable vat
			Applicable vat	Actual cost plus R567.10	Applicable vat



# WATER TARIFFS

Tariff Code	Detail	2015/2016		2014/2015	
		Exclude VAT	Include VAT	Exclude VAT	Include VAT
W5	REMEDIAL ACTION FEE (TAMPERING)				
WSA1	1st Offence				
WSA2	2nd Offence				
W6	CONNECTION FEE				
WSA1	20 mm Connection Conventional Meter	4 014.91	4 577.00	3 650.00	4 161.00
WSA2	20 mm Connection Water Flow Restrictor Meter	4 768.42	5 436.00	4 335.09	4 942.00
WSA3	Other Connections	Actual cost plus 15%	Applicable vat	Actual cost plus 15%	Applicable vat
WSA4	Connections (Erf Boundary - by Developer)	1 043.66	1 190.00	949.12	1 082.00
W7	BULK SERVICES DEVELOPMENT FEES				
	Development Contributions will be determined as set out in the Annexure in respect of Development Contribution Policy				

1.06  
1.10  
10.00%

10.00%  
10.00%  
9.98%

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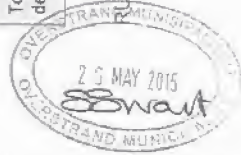


OVERSTRAND MUNICIPALITY

ANNEXURE TO WATER TARIFFS

ALLOCATION OF RUE's TO CATEGORIES OF CONSUMERS – 2015/16

Clinics – Out patients	□ 1 RUE
Flats	□ 1 RUE per unit
Guest houses and B & B's	□ 1 RUE
Household related consumers that do not fall in one of the above household consumer categories	□ Upon application the Engineering & Financial Departments will assess the validity within the tariff's structural framework
Old Age Homes, Hostels & Boarding School	□ 1 RUE per 7 Beds
Retirement Villages, Hospital & Hospice	□ 1 RUE per 1 residential unit □ 1 RUE per 7 Beds
Single Residential erven	□ 1 RUE
Townhouse and group developments	□ 1 RUE per unit



RUE = Residential Unit Equivalent

**OVERSTRAND MUNICIPALITY  
TARIFFS FOR RESORTS FOR THE 2015/2016 FINANCIAL YEAR**

*All tariffs include Value Added Tax (VAT) – Where applicable*

A deposit of 50% of the total amount payable is applicable to secure the booking. On cancellation of the booking, an admin fee of 15% will be deducted from the deposit. On cancellation of the booking less than 14 days prior to the commencement of the holiday, the deposit **will not** be paid back.

**NOTE:**

**All tariffs include Value Added Tax (VAT) – Where applicable**

PALMIET & KLEINMOND CARAVAN PARKS (Vote number 1:01 0260 255 & 1:01 0261 256)									
SEASON	PERIOD	2015/2016			2014/2015			Per Day	Per Day
		A Stands	B Stands	C Stands	A Stands	B Stands	C Stands		
High Season	1 December – 31 January & Easter Weekend	R363.00	R279.00	R255.00	R330.00	R253.00	R231.00		
Low Season	1 February – 30 November (Excluding Easter Weekend)	R200.00	R170.00	R158.00	R182.00	R154.00	R143.00		

• Plus: All stands with the availability of electricity = R36.00 per stand per day  
 • The above tariffs include for up to four (4) persons and one vehicle with one trailer or caravan or small boat per day.  
 • Additional persons up to a maximum of two (2)\* = R52.00 per person per day.  
 • Additional vehicle or small trailer or small boat to maximum of 2 units = R28.00 per unit per day.  
 • Day visitors for campers up to a maximum of four (4)\* = R52.00 per person per day and R39.00 for a vehicle.  
 • (\*) **Special arrangements must be made with the Camp Manager to allow day visitors**  
 • Children under two (2) years are free and children under twelve (12) years at half price.  
 • Low Season: Pensioners, Caravan Clubs more than 10 caravans, Mobile Camper Vehicles & RV groups (not caravans) more than 20 campers (Pensioners to be defined as persons sixty (60) years and older)  
 • ❖ may get a discount of 50% on the stands;  
 • ❖ Quality for a reduced tariff of R2,433.00 for a period of 30 days.  
 • Gate Card / Key Deposit R132.00 per set (refundable)  
 • Long Term rental R770.00 per month plus R176.00 per month for Electricity.



KLEINMOND - FRANK ROBB HUT		
	2015/2016	2014/2015
Camping per person (max 10 persons) per day	R85.00	R77.00

# OVERSTRAND MUNICIPALITY TARIFFS FOR RESORTS FOR THE 2015/2016 FINANCIAL YEAR

ONRUS CARAVAN PARK - PLETT HOUSE			
		2015/2016	2014/2015
High Season	1 December – 31 January & Easter Weekend	R400.00	NEW
Low Season	1 February – 30 November (Excluding Easter Weekend)	R250.00	NEW

ONRUS CARAVAN PARK (Vote number 1 01 0263 255)							
SEASON	PERIOD	A Stands		B Stands		C Stands	
		Per Day	2015/2016 Per Day	Per Day	2014/2015 Per Day	Per Day	2014/2015 Per Day
High Season	1 December – 31 January & Easter Weekend	R396.00	R304.00	R278.00	R330.00	R253.00	R231.00
Low Season	1 February – 30 November (Excluding Easter Weekend)	R219.00	R185.00	R172.00	R182.00	R154.00	R143.00

• Plus: All stands with the availability of electricity = R36.00 per stand per day.

• The above tariffs include for up to four (4) persons and 1 vehicle with one trailer or caravan or small boat per day.

• Additional persons up to a maximum of two (2) = R57.00 per person per day.

• Additional vehicle or small trailer or small boat to maximum of two (2) units = R30.00 per unit per day.

• Children under two (2) years are free and children under twelve (12) years at half price.

• Daily Functions (pre-arrangement) = R146.00 per day

• Long Term Rental = R 13,482.00 pa plus the following:

- Pergola with covering = R 113.00 pm (R1,356.00 pa)
- Water tap = R 24.00 pm (R288.00 pa)
- Structure for storing purposes = R 24.00 pm (R288.00 pa)
- Permanent fireplace structure = R 24.00 pm (R288.00 pa)
- Electricity per stand = R 75.00 pm (R900.00 pa)

• Low Season: Pensioners, Caravan Clubs more than 10 caravans, Mobile Camper Vehicles & RV groups (not caravans) more than 20 campers (Pensioners to be defined as persons sixty (60) years and older)

❖ may get a discount of 50% on the stands;

❖ qualify for a reduced tariff of R2,654.00 for a period of 30 days

Full 30 day Rental = R3,888.00

Gate Card / Key Deposit R132.00 per set (refundable).



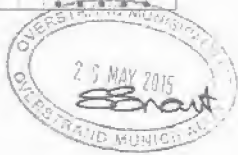


**OVERSTRAND MUNICIPALITY  
TARIFFS FOR RESORTS FOR THE 2015/2016 FINANCIAL YEAR**

GANSBAAI CARAVAN PARK (Vote Number 1 01 0266 255)						
SEASON	PERIOD		A Stands	B Stands	C Stands	C Stands
			2015/2016			
			Per Day	Per Day	Per Day	Per Day
High Season	1 December – 31 January & Easter Weekend		R242.00	R200.00	R170.00	R182.00
Low Season	1 February – 30 November (Excluding Easter Weekend)		R182.00	R170.00	R158.00	R154.00
<ul style="list-style-type: none"> <li>The above tariffs include for up to four (4) persons and one vehicle with one trailer or caravan or small boat.</li> <li>Additional persons up to a maximum of two (2) = R52.00 per person per day.</li> <li>Additional vehicle or small trailer or small boat = R37.00 per unit per day.</li> <li>Day visitors for campers up to a maximum of four (4) = R39.00 per person per day</li> <li>Children under two (2) years are free and children under twelve (12) years at half price.</li> <li>Long Term Rental = R 7,140.00 pa. (Vote number 1 01 0266 257)</li> <li>Low Season: Pensioners, Caravan Clubs more than 10 caravans, Mobile Camper Vehicles &amp; RV groups (not caravans) more than 20 campers may get a discount of 50% on the stands, (Pensioners to be defined as persons sixty (60) years and older).</li> </ul>						

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HAWSTON DAY CAMPING SITE (Vote Number 1 01 0262 255)						
ITEM	Low Season 01 February – 30 November (Excluding Easter Weekend)	High Season 01 December – 31 January & Easter Weekend	Low Season 01 February – 30 November (Excluding Easter Weekend)	High Season 01 December – 31 January & Easter Weekend	Low Season 01 February – 30 November (Excluding Easter Weekend)	High Season 01 December – 31 January & Easter Weekend
	Per Day	Per Day	Per Day	Per Day	Per Day	Per Day
Camping Sites						
Picnic Fees : Per Vehicle (excluding buses > 20 seats) + persons	R62.00	R170.00	R 83.00	R 154.00	R 83.00	R 154.00
: Per Bus > 20 seats + persons	R12.00	R12.00	R 11.00	R 11.00	R 132.00	R 132.00
Adults (per person)	R146.00	R146.00	R 132.00	R 132.00	R 11.00	R 11.00
Children (per child < 12)	R12.00	R12.00	R 11.00	R 11.00	R 3.00	R 4.00
	R3.50	R4.50				
<ul style="list-style-type: none"> <li>The above tariffs include for up to six (6) persons and 1 vehicle with one trailer or caravan or small boat.</li> <li>Additional vehicle or small trailer or small boat = R37.00 per unit per day.</li> <li>Events – partial or whole day camp site, per day or portion of the day = R485.00 per day</li> <li>Events – community based – partial or whole day camp site, per day or portion of the day = R121.00.</li> <li>Low Season: Pensioners, Caravan Clubs more than 10 caravans Mobile Camper Vehicles &amp; RV groups (not caravans) more than 20 campers may get a discount of 50% on the stands, (Pensioners to be defined as persons sixty (60) years and older).</li> </ul>						



**OVERSTRAND MUNICIPALITY**  
**DEVELOPMENT CONTRIBUTION POLICY 2015/2016**  
(Attachment to the Tariff Schedule)

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1. The developer will be responsible for the payment of development contributions in accordance with the relevant legislation and as determined by Council.

The calculation methodology as listed below will generally be used as a guideline to determine the development contributions. The Council may deviate from this guideline in accordance with the relevant legislation particularly where large developments with significant impact on services are being processed.

The developer may be required by the council to provide bulk services in lieu or in part of the payment of development contributions. The Council may revise the Development Contribution Policy at any stage.

2. Gap Housing:

Municipal land made available by the Municipality for the purposes of housing specific with reference to the GAP market for households with an income between R 3501 – R 18 000 per month.

- Gap Housing

50% of Standard

3. Government Subsidised Housing:

Low Cost Housing Projects funded by the Department of Human Settlements.

- Government Subsidised Housing

0% Development Contribution

4. High Density Units:

High and Medium density Residential Developments for example flats, town houses, retirement units, etc.

- High Density Units up to 2 bed rooms (R/Unit)
- High Density Units more than 2 bed rooms (R/Unit)

50% of Standard

75% of Standard

5. Second Dwellings

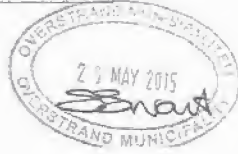
- No development contribution will be applicable as long as the normal standard water, electricity and sewerage connections for single units are used. If upgraded connections are required, the normal development contributions listed in paragraph 6 below will be applicable.



**OVERSTRAND MUNICIPALITY**  
**DEVELOPMENT CONTRIBUTION POLICY 2015/2016**  
(Attachment to the Tariff Schedule)

**6. DEVELOPMENT CONTRIBUTION TARIFF LIST**

Tariff Code	Detail	2015/2016		2014/15		1.06
		Exclude VAT R	Include VAT R	Exclude VAT R	Include VAT R	
<b>DC1</b>	<b>WATER</b>					
DC1A	Standard Fee per Equivalent Unit	21,799.12	24,851.00	20,564.91	23,444.00	1,407.00 6.00%
<b>DC2</b>	<b>ELECTRICITY</b>					
DC2A	Sub Division of Existing Erf					
DC2A1	Single Phase 60 AMP (5 kVA) Domestic X Tariff E15A1 = PIERF PLUS STANDARD CONNECTION FEES	26,489.30	30,197.80	24,966.67	28,462.00	1,707.99 6.00%
<b>DC2B</b>	<b>New Developments</b>					
DC2B1	Standard fee per Single Phase Domestic erf - infrastructure provide by developer (13.8 kVA x E15A2 x.36)	15,836.05	18,063.10	14,285.18	16,285.11	977.89 6.00%
DC2B2	Standard fee per Three Phase Domestic erf - infrastructure provide by developer (42kVA x E15A2x.36)	48,196.66	54,944.19	43,476.65	49,563.38	2,574.62 6.00%
DC2C	MV/LV Bulk Supply with metering point cost / kVA= Tariff E15A2	3,167.61	3,633.88	2,797.37	3,189.00	192.00 6.00%
DC2C1	LV Bulk Supply if capacity is available on existing TF cost / kVA = Tariff E15A3	4,060.19	4,628.82	3,975.44	4,532.00	272.00 6.00%
<b>DC3</b>	<b>SEWERAGE</b>					
DC3A	Standard Fee per Equivalent Unit	17,495.61	19,945.00	16,505.26	18,816.00	1,129.00 6.00%
<b>DC4</b>	<b>ROADS &amp; STORMWATER</b>					
DC4A	Standard Fee per Equivalent Unit	5,701.75	6,500.00	5,378.95	6,132.00	367.99 6.00%
<b>DC5</b>	<b>OFF-GRID DEVELOPMENT/UNITS</b>					
DC5A	As per signed agreement as recommended by the Director: Infrastructure and Planning and approval by the Municipal Manager	as per agreement	applicable VAT	as per agreement	applicable VAT	





**OVERSTRAND MUNICIPALITY**  
**DEVELOPMENT CONTRIBUTION POLICY 2015/2016**  
(Attachment to the Tariff Schedule)

DC6	EVALUATION/INVESTIGATION LEVIES are payable OVER and ABOVE the Bulk Service Levies				
DC6A	Water				
	No. of Equivalent units	No Charge	No Charge	No Charge	No Charge
DC6A1	1 - 4				
DC6A2	5 - 10	5,923.68	6,753.00	5,587.72	6,370.00
DC6A3	11 - 25	9,921.93	11,311.00	9,359.55	10,670.00
DC6A4	26 - 50	13,920.18	15,863.00	13,131.58	14,970.00
DC6A5	51 - 100	15,844.74	18,063.00	14,947.37	17,040.00
DC6A6	101 - 250	17,757.90	20,244.00	16,752.63	19,038.00
DC6A7	251 - 500	20,800.00	23,712.00	19,521.93	22,369.00
DC6A8	501 - 2000	23,362.28	26,633.00	22,039.47	25,125.00
DC6A9	2000 - 5000	27,987.37	31,917.00	26,412.28	30,110.00
DC6A10	> 5001	31,995.61	36,475.00	30,184.21	34,410.00
DC6E	Sanitation				
	No. of Equivalent units	No Charge	No Charge	No Charge	No Charge
DC6E1	1 - 4				
DC6E2	5 - 10	6,278.95	7,158.00	5,922.81	6,752.00
DC6E3	11 - 25	10,517.54	11,990.00	9,921.93	11,311.00
DC6E4	26 - 50	14,756.14	16,822.00	13,920.18	15,869.00
DC6E5	51 - 100	16,795.61	19,147.00	15,844.74	18,063.00
DC6E6	101 - 250	18,823.68	21,459.00	17,757.90	20,244.00
DC6E7	251 - 500	22,048.25	25,135.00	20,800.00	23,712.00
DC6E8	501 - 2000	24,764.04	28,231.00	23,362.28	26,633.00
DC6E9	2000 - 5000	29,678.07	33,833.00	27,987.37	31,917.00
DC6E10	> 5001	33,915.79	38,664.00	31,995.61	36,475.00

335.96 6.01%  
552.28 6.01%  
788.59 6.01%  
897.37 6.00%  
1,005.27 6.00%  
1,178.07 6.00%  
1,322.81 6.00%  
1,585.09 6.00%  
1,811.40 6.00%

235

356.14 6.01%  
595.61 6.00%  
835.97 6.01%  
950.87 6.00%  
1,065.79 6.00%  
1,248.25 6.00%  
1,401.76 6.00%  
1,680.70 6.00%  
1,920.18 6.00%





**ANNEXURE D**

**TARIFF BASKETS**



## OVERSTRAND MUNICIPALITY

## MONTHLY BASKET OF TARIFFS - SINGLE RESIDENTIAL 2015/16

				Year	Year	Increase/Decrease	
				2014/2015	2015/2016	Amount	%
<b>High Consumption with credit elect meter</b>							
	Valuation	R3 500 000					
Rates				952.20	1 017.43	65.23	6.85
Sewer	SE7A1+SE8A			450.24	477.41	27.17	6.03
Infrastructure Basic Charge Water, Electricity & Sewer				41.70	41.70	0.00	0.00
Refuse	1X Per Week			130.18	137.99	7.81	6.00
Water	50 kl			854.08	906.31	52.23	6.12
VAT				206.67	218.88	12.21	5.91
<b>SUB TOTAL</b>				<b>2 635.07</b>	<b>2 799.71</b>	<b>164.65</b>	<b>6.25</b>
Electricity Credit Meter	1500 kWh			2 275.75	2 540.70	264.95	11.64
VAT				318.60	355.70	37.09	11.64
<b>TOTAL</b>				<b>5 229.42</b>	<b>5 340.41</b>	<b>429.60</b>	<b>8.22</b>
<i>HPP if applicable</i>				95.22	101.74	6.52	6.85
<b>High Consumption with prepaid elect meter</b>				2014/2015	2015/2016	Amount	%
	Valuation	R3 500 000					
Rates				952.20	1 017.43	65.23	6.85
Sewer	SE7A1+SE8A			450.24	477.41	27.17	6.03
Infrastructure Basic Charge Water, Electricity & Sewer				41.70	41.70	0.00	0.00
Refuse	1X Per Week			130.18	137.99	7.81	6.00
Water	50 kl			854.08	906.31	52.23	6.12
VAT				206.67	218.88	12.21	5.91
<b>SUB TOTAL</b>				<b>2 635.07</b>	<b>2 799.71</b>	<b>164.65</b>	<b>6.25</b>
Electricity Prepaid Meter	1500 kWh			2 176.66	2 429.52	252.87	11.62
VAT				304.73	340.13	35.40	11.62
<b>TOTAL</b>				<b>5 116.45</b>	<b>5 569.37</b>	<b>452.91</b>	<b>8.85</b>
<i>HPP if applicable</i>				95.22	101.74	6.52	6.85
<b>Medium Consumption with credit elect meter</b>				2014/2015	2015/2016	Amount	%
	Valuation	R2 500 000					
Rates				676.20	722.52	46.32	6.85
Sewer	SE7A1+SE8A			270.69	287.01	16.32	6.03
Infrastructure Basic Charge Water, Electricity & Sewer				41.70	41.70	0.00	0.00
Refuse	1X Per Week			130.18	137.99	7.81	6.00
Water	25 kl			322.63	343.11	20.48	6.35
VAT				107.13	113.37	6.25	5.83
<b>SUB TOTAL</b>				<b>1 548.53</b>	<b>1 645.70</b>	<b>97.18</b>	<b>6.28</b>
Electricity Credit Meter	800 kWh			1 178.85	1 309.98	131.13	11.12
VAT				165.04	183.40	18.36	11.12
<b>TOTAL</b>				<b>2 892.41</b>	<b>3 139.08</b>	<b>246.67</b>	<b>8.53</b>
<i>HPP if applicable</i>				67.62	72.25	4.63	6.85
<b>Medium Consumption with prepaid elect meter</b>				2014/2015	2015/2016	Amount	%
	Valuation	R2 500 000					
Rates				676.20	722.52	46.32	6.85
Sewer	SE7A1+SE8A			270.69	287.01	16.32	6.03
Infrastructure Basic Charge Water, Electricity & Sewer				41.70	41.70	0.00	0.00
Refuse	1X Per Week			130.18	137.99	7.81	6.00
Water	25 kl			322.63	343.11	20.48	6.35
VAT				107.13	113.37	6.25	5.83
<b>SUB TOTAL</b>				<b>1 548.53</b>	<b>1 645.70</b>	<b>97.18</b>	<b>6.28</b>
Electricity Prepaid Meter	800 kWh			1 122.32	1 246.55	124.24	11.07
VAT				157.12	174.52	17.39	11.07
<b>TOTAL</b>				<b>2 827.97</b>	<b>3 066.77</b>	<b>238.81</b>	<b>8.44</b>
<i>HPP if applicable</i>				67.62	72.25	4.63	6.85

28 Swart  
OVERSTRAND MUNICIPALITY

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OVERSTRAND MUNICIPALITY

Low Consumption with credit meter			2014/2015	2015/2016	Amount	%
Valuation	R1 000 000					
Rates			262.20	280.16	17.96	6.85
Sewer	SE7A1+SE8A		198.87	210.85	11.98	6.02
Infrastructure Basic Charge Water, Electricity & Sewer			41.70	41.70	0.00	0.00
Refuse	1X Per Week		130.18	137.99	7.81	6.00
Water	15 kl		199.18	212.22	13.04	6.55
VAT			79.79	84.39	4.60	5.76
<b>SUB TOTAL</b>			<b>911.92</b>	<b>967.31</b>	<b>55.39</b>	<b>6.07</b>
Electricity Credit Meter	600 kWh		865.45	958.34	92.90	10.73
VAT			121.16	134.17	13.01	10.73
<b>TOTAL</b>			<b>1 898.53</b>	<b>2 059.82</b>	<b>161.29</b>	<b>8.50</b>
<i>HPP if applicable</i>			26.22	28.02	1.80	6.85

Low Consumption with prepaid elect meter			2014/2015	2015/2016	Amount	%
Valuation	R1 000 000					
Rates			262.20	280.16	17.96	6.85
Sewer	SE7A1+SE8A		198.87	210.85	11.98	6.02
Infrastructure Basic Charge Water, Electricity & Sewer			41.70	41.70	0.00	0.00
Refuse	1X Per Week		130.18	137.99	7.81	6.00
Water	15 kl		199.18	212.22	13.04	6.55
VAT			79.79	84.39	4.60	5.76
<b>TOTAL</b>			<b>911.92</b>	<b>967.31</b>	<b>55.39</b>	<b>6.07</b>
Electricity Prepaid Meter	600 kWh		821.08	908.56	87.48	10.65
VAT			114.95	127.20	12.25	10.65
			<b>1 847.94</b>	<b>2 003.07</b>	<b>155.12</b>	<b>8.39</b>
<i>HPP if applicable</i>			26.22	28.02	1.80	6.85

Low Consumption with credit meter			2014/2015	2015/2016	Amount	%
Valuation	R1 000 000					
Rates			262.20	280.16	17.96	6.85
Sewer	SE7A1+SE8A		198.87	210.85	11.98	6.02
Infrastructure Basic Charge Water, Electricity & Sewer			41.70	41.70	0.00	0.00
Refuse	1X Per Week		130.18	137.99	7.81	6.00
Water	15 kl		199.18	212.22	13.04	6.55
VAT			79.79	84.39	4.60	5.76
<b>SUB TOTAL</b>			<b>911.92</b>	<b>967.31</b>	<b>55.39</b>	<b>6.07</b>
Electricity Credit Meter	350 kWh		540.42	593.66	53.24	9.85
VAT			75.66	83.11	7.45	9.85
<b>TOTAL</b>			<b>1 528.00</b>	<b>1 644.09</b>	<b>116.09</b>	<b>7.60</b>
<i>HPP if applicable</i>			26.22	28.02	1.80	6.85

Low Consumption with prepaid elect meter			2014/2015	2015/2016	Amount	%
Valuation	R1 000 000					
Rates			262.20	280.16	17.96	6.85
Sewer	SE7A1+SE8A		198.87	210.85	11.98	6.02
Infrastructure Basic Charge Water, Electricity & Sewer			41.70	41.70	0.00	0.00
Refuse	1X Per Week		130.18	137.99	7.81	6.00
Water	15 kl		199.18	212.22	13.04	6.55
VAT			79.79	84.39	4.60	5.76
<b>SUB TOTAL</b>			<b>911.92</b>	<b>967.31</b>	<b>55.39</b>	<b>6.07</b>
Electricity Prepaid Meter	350 kWh		514.80	564.92	50.12	9.74
VAT			72.07	79.09	7.02	9.74
<b>TOTAL</b>			<b>1 498.79</b>	<b>1 611.32</b>	<b>112.52</b>	<b>7.51</b>
<i>HPP if applicable</i>			26.22	28.02	1.80	6.85

## OVERSTRAND MUNICIPALITY

Sub-Economic Consumption (Indigent)

Valuation		2014/2015	2015/2016	Amount	%
Rates		46.92	50.13	3.21	6.85
Sewer	SE7A1	28.73	30.46	1.74	6.04
Infrastructure Basic Charge Water, Electricity & Sewer		41.70	41.70	0.00	0.00
Refuse	1X Per Week	0.00	0.00	0.00	0.00
Water	10 kl	34.40	36.48	2.08	6.05
VAT		14.68	15.21	0.53	3.64
<b>SUB TOTAL</b>		<b>166.42</b>	<b>173.99</b>	<b>7.56</b>	<b>4.55</b>
Electricity Prepaid Meter	350 kWh	310.24	348.09	37.85	12.20
VAT		43.43	48.73	5.30	12.20
<b>TOTAL</b>		<b>520.10</b>	<b>570.81</b>	<b>50.71</b>	<b>9.75</b>

Life-Line Consumption (ONE PART) (Indigent)

Valuation		2014/2015	2015/2016	Amount	%
Rates		0.00	0.00	0.00	0.00
Sewer	SE7A1	14.36	15.23	0.87	6.04
Infrastructure Basic Charge Water, Electricity & Sewer		41.70	41.70	0.00	0.00
Refuse	1X Per Week	0.00	0.00	0.00	0.00
Water	8 kl	17.20	18.24	1.04	6.05
VAT		10.25	10.52	0.27	2.60
<b>SUB TOTAL</b>		<b>83.52</b>	<b>85.70</b>	<b>2.18</b>	<b>2.60</b>
Electricity Pre-paid	300 kWh	263.70	295.87	32.17	12.20
VAT		36.92	41.42	4.50	12.20
<b>TOTAL</b>		<b>384.14</b>	<b>422.99</b>	<b>38.85</b>	<b>10.11</b>

Conservancy Tanks

If tariff SE7 is not applicable

		2014/2015	2015/2016	Amount	%
Smaller than 5kl		419.30	444.46	25.16	6.00
Greater than 5kl		419.30	444.46	25.16	6.00
Outside urban area Plus	per km	12.28	13.02	0.74	6.03
Plus	Per hour	251.75	266.86	15.11	6.00
<b>After hours</b>					
Smaller than 5kl		838.60	888.92	50.32	6.00
Greater than 5kl		838.60	888.92	50.32	6.00

Sub-Economic Consumption (Indigent)

Valuation		2014/2015	2015/2016	Amount	%
Rates		0.00	0.00	0.00	0.00
Sewer	SE7A1	0.00	0.00	0.00	0.00
Infrastructure Basic Charge Water, Electricity & Sewer		41.70	41.70	0.00	0.00
Refuse	1X Per Week	0.00	0.00	0.00	0.00
Water	6 kl	0.00	0.00	0.00	0.00
VAT		5.84	5.84	0.00	0.00
<b>SUB TOTAL</b>		<b>47.54</b>	<b>47.54</b>	<b>0.00</b>	<b>0.00</b>
Electricity Prepaid Meter	150 kWh	132.95	149.18	16.22	12.20
VAT		18.61	20.89	2.27	12.20
<b>TOTAL</b>		<b>199.11</b>	<b>217.60</b>	<b>18.49</b>	<b>9.29</b>





## MONTHLY BASKET OF TARIFFS - BUSINESS 2015/2016

## FROM SEPTEMBER TO MAY (PREVIOUSLY OFF PEAK)

Business - Large (Time of Use)				2014/2015	2015/2016	Amount	%
Valuation	R35 000 000						
Rates				18 287.50	19 540.19	1 252.69	6.85
Sewer	SE7D1+SE8A	30		6 981.84	7 402.62	420.78	6.03
Infrastructure Basic Charge Water, Electricity & Sewer				41.70	41.70	0.00	0.00
Refuse	Bins 2X Per Week	30		7 810.72	8 279.40	468.68	6.00
Water	460 kl			16 045.18	17 015.47	970.29	6.05
VAT				4 323.12	4 583.49	260.37	6.02
<b>SUB TOTAL</b>				<b>53 490.06</b>	<b>56 862.87</b>	<b>3 372.81</b>	<b>6.31</b>
Electricity Credit Meter	108751 ~ 436kVA			80 530.05	101 772.30	21 242.25	26.38
VAT				11 274.21	14 248.12	2 973.92	26.38
<b>TOTAL</b>				<b>145 294.31</b>	<b>172 883.29</b>	<b>27 588.98</b>	<b>18.99</b>
<i>HPP if applicable</i>				1 828.75	1 954.02	125.27	6.85

## FROM JUNE TO AUGUST (PREVIOUSLY HIGH DEMAND)

Business - Large (Time of Use)				0.00	0.00	Amount	%
Valuation	R35 000 000						
Rates				18 287.50	19 540.19	1 252.69	6.85
Sewer	SE7D1+SE8A	30		6 981.84	7 402.62	420.78	6.03
Infrastructure Basic Charge Water, Electricity & Sewer				41.70	41.70	0.00	0.00
Refuse	Bins 2X Per Week	30		7 810.72	8 279.40	468.68	6.00
Water	460 kl			16 045.18	17 015.47	970.29	6.05
VAT				4 323.12	4 583.49	260.37	6.02
<b>SUB TOTAL</b>				<b>53 490.06</b>	<b>56 862.87</b>	<b>3 372.81</b>	<b>6.31</b>
Electricity Credit Meter	108751 ~ 436kVA			158 429.25	101 772.30	-56 656.95	-35.76
VAT				22 180.10	14 248.12	-7 931.97	-35.76
<b>TOTAL</b>				<b>234 099.40</b>	<b>172 883.29</b>	<b>-61 216.11</b>	<b>-26.15</b>
<i>HPP if applicable</i>				1 828.75	1 954.02	125.27	6.85

## IMPORTANT TO NOTE

Off peak 26% x 9 maande

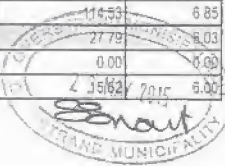
High Demand -35% x 3 maande

## Business - Medium (Three Phase)

Business - Medium (Three Phase)				2014/2015	2015/2016	Amount	%
Valuation	R3 200 000						
Rates				1 672.00	1 786.53	114.53	6.85
Sewer	SE7D1+SE8A	1		460.50	488.29	27.79	6.03
Infrastructure Basic Charge Water, Electricity & Sewer				41.70	41.70	0.00	0.00
Refuse	1X Per Week	3		390.54	413.97	23.43	6.00
Water	40 kl			639.28	686.12	46.84	7.33
VAT				214.48	228.21	13.73	6.40
<b>SUB TOTAL</b>				<b>3 418.50</b>	<b>3 644.82</b>	<b>226.33</b>	<b>6.62</b>
Electricity Credit Meter	7000 kWh			9 733.12	10 895.20	1 162.08	11.94
VAT				1 362.64	1 525.33	162.69	11.94
<b>TOTAL</b>				<b>14 514.25</b>	<b>16 065.35</b>	<b>1 551.09</b>	<b>10.69</b>
<i>HPP if applicable</i>				167.20	178.65	11.45	6.85

## Business - Small (Three Phase)

Business - Small (Three Phase)				2014/2015	2015/2016	Amount	%
Valuation	R3 200 000						
Rates				1 672.00	1 786.53	114.53	6.85
Sewer	SE7D1+SE8A	1		460.50	488.29	27.79	6.03
Infrastructure Basic Charge Water, Electricity & Sewer				41.70	41.70	0.00	0.00
Refuse	1X Per Week	2		260.36	275.98	15.62	6.00



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**OVERSTRAND MUNICIPALITY**

Water	40 kl	639.28	686.12	46.84	7.33
VAT		196.26	208.89	12.64	6.44
<b>SUB TOTAL</b>		<b>3 270.09</b>	<b>3 487.51</b>	<b>217.42</b>	<b>6.65</b>
Electricity Credit Meter	4000 kWh	5 737.12	6 411.89	674.57	11.75
VAT		803.20	897.64	94.44	11.76
<b>TOTAL</b>		<b>9 810.41</b>	<b>10 796.84</b>	<b>986.43</b>	<b>10.05</b>
<i>HPP if applicable</i>		167.20	178.65	11.45	6.85

**Bussiness - Small (Three Phase)**

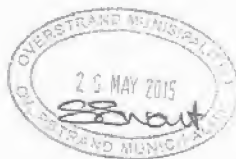
	Valuation		2014/2015	2015/2016	Amount	%
Rates		R3 200 000	1 672.00	1 786.53	114.53	6.85
Sewer	SE7D1+SE8A	1	480.50	438.29	27.79	6.03
Infrastructure Basic Charge Water, Electricity & Sewer			41.70	41.70	0.00	0.00
Refuse	1X Per Week	2	260.36	275.98	15.62	6.00
Water	40 kl		639.28	686.12	46.84	7.33
VAT			196.26	208.89	12.64	6.44
<b>SUB TOTAL</b>			<b>3 270.09</b>	<b>3 487.51</b>	<b>217.42</b>	<b>6.65</b>
Electricity Credit Meter	1000 kWh		1 741.12	1 928.17	187.05	10.74
VAT			243.76	269.94	26.19	10.74
<b>TOTAL</b>			<b>5 254.97</b>	<b>5 685.63</b>	<b>430.66</b>	<b>8.20</b>
<i>HPP if applicable</i>			167.20	178.65	11.45	6.85



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OVERSTRAND MUNICIPALITY

MONTHLY BASKET OF TARIFFS - VACANT ERVEN 2015/2016

Valuation High			2014/2015	2015/2016	Amount	%
Valuation		R780 000				
Rates			367.90	393.10	25.20	6.85
Sewer can connect	Availability		109.65	116.23	6.58	6.00
Refuse	Availability		65.08	68.98	3.90	5.99
Electricity	Availability		204.56	216.83	12.27	6.00
Water	Availability		102.28	108.42	6.14	6.00
Infrastructure Basic Charge Water, Electricity & Sewer			41.70	41.70	0.00	0.00
VAT			73.26	77.30	4.04	5.52
<b>TOTAL</b>			964.43	1 022.56	58.14	6.03
<i>HPP if applicable</i>			36.79	39.31	2.52	6.85
Valuation Average			2014/2015	2015/2016	Amount	%
Valuation		R250 000				
Rates			117.92	125.99	8.08	6.85
Sewer can connect	Availability		109.65	116.23	6.58	6.00
Refuse	Availability		65.08	68.98	3.90	5.99
Electricity	Availability		204.56	216.83	12.27	6.00
Water	Availability		102.28	108.42	6.14	6.00
Infrastructure Basic Charge Water, Electricity & Sewer			41.70	41.70	0.00	0.00
VAT			73.26	77.30	4.04	5.52
<b>TOTAL</b>			714.44	755.46	41.01	5.74
<i>HPP if applicable</i>			11.79	12.60	0.81	6.85
Valuation Lower			2014/2015	2015/2016	Amount	%
Valuation		R110 000				
Rates			51.89	55.44	3.55	6.85
Sewer can connect	Availability		109.65	116.23	6.58	6.00
Refuse	Availability		65.08	68.98	3.90	5.99
Electricity	Availability		204.56	216.83	12.27	6.00
Water	Availability		102.28	108.42	6.14	6.00
Infrastructure Basic Charge Water, Electricity & Sewer			41.70	41.70	0.00	0.00
VAT			73.26	77.30	4.04	5.52
<b>TOTAL</b>			648.41	684.90	36.49	5.63
Valuation Low			2014/2015	2015/2016	Amount	%
Valuation		R15 000				
Rates			7.08	7.56	0.48	6.85
Sewer can connect	Availability		109.65	116.23	6.58	6.00
Refuse	Availability		65.08	68.98	3.90	5.99
Electricity	Availability		204.56	216.83	12.27	6.00
Water	Availability		102.28	108.42	6.14	6.00
Infrastructure Basic Charge Water, Electricity & Sewer			41.70	41.70	0.00	0.00
VAT			73.26	77.30	4.04	5.52
<b>TOTAL</b>			603.60	637.02	33.42	5.54



**ANNEXURE E**

**CAPITAL BUDGET AND WARD PROJECTS**





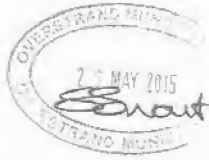


Area	Local Area	Ward	Project Description	Project Manager	Funding Source	COUNCIL FUNDED	EXTERNAL GRANTS	TOTAL	COUNCIL FUNDED	EXTERNAL GRANTS	TOTAL
Standard Council Infrastructure	Standard Council Infrastructure	Ward 11 Ward 12 Ward 13	STAFFORD BRIDGE REPAIRS PROJECT REPAIRS TO THE BRIDGE	8 Lines 8 Lines 8 Lines	PROV H PROV H PROV H	1,327,934	10,575,432	12,103,372	10,000,000	4,000,000	14,000,000
<b>ROADS</b>											
Overland	Overland	Ward 10	REPAIRS TO THE EXISTING PAVE ROAD (HILL)	D. H. H. H.	MIS	1,327,934	10,575,432	12,103,372	10,000,000	4,000,000	14,000,000
Overland	Overland	Ward 11	REPAIRS TO THE EXISTING PAVE ROAD (HILL)	D. H. H. H.	MIS	1,327,934	10,575,432	12,103,372	10,000,000	4,000,000	14,000,000
Overland	Overland	Ward 12	REPAIRS TO THE EXISTING PAVE ROAD (HILL)	D. H. H. H.	MIS	1,327,934	10,575,432	12,103,372	10,000,000	4,000,000	14,000,000
Overland	Overland	Ward 13	REPAIRS TO THE EXISTING PAVE ROAD (HILL)	D. H. H. H.	MIS	1,327,934	10,575,432	12,103,372	10,000,000	4,000,000	14,000,000
<b>ELECTRICITY</b>											
Overland	Overland	Ward 10	REPAIRS TO THE EXISTING PAVE ROAD (HILL)	D. H. H. H.	MIS	1,327,934	10,575,432	12,103,372	10,000,000	4,000,000	14,000,000
Overland	Overland	Ward 11	REPAIRS TO THE EXISTING PAVE ROAD (HILL)	D. H. H. H.	MIS	1,327,934	10,575,432	12,103,372	10,000,000	4,000,000	14,000,000
Overland	Overland	Ward 12	REPAIRS TO THE EXISTING PAVE ROAD (HILL)	D. H. H. H.	MIS	1,327,934	10,575,432	12,103,372	10,000,000	4,000,000	14,000,000
Overland	Overland	Ward 13	REPAIRS TO THE EXISTING PAVE ROAD (HILL)	D. H. H. H.	MIS	1,327,934	10,575,432	12,103,372	10,000,000	4,000,000	14,000,000
<b>WATER</b>											
Overland	Overland	Ward 10	REPAIRS TO THE EXISTING PAVE ROAD (HILL)	D. H. H. H.	MIS	1,327,934	10,575,432	12,103,372	10,000,000	4,000,000	14,000,000
Overland	Overland	Ward 11	REPAIRS TO THE EXISTING PAVE ROAD (HILL)	D. H. H. H.	MIS	1,327,934	10,575,432	12,103,372	10,000,000	4,000,000	14,000,000
Overland	Overland	Ward 12	REPAIRS TO THE EXISTING PAVE ROAD (HILL)	D. H. H. H.	MIS	1,327,934	10,575,432	12,103,372	10,000,000	4,000,000	14,000,000
Overland	Overland	Ward 13	REPAIRS TO THE EXISTING PAVE ROAD (HILL)	D. H. H. H.	MIS	1,327,934	10,575,432	12,103,372	10,000,000	4,000,000	14,000,000
<b>SEWERAGE</b>											
Overland	Overland	Ward 10	REPAIRS TO THE EXISTING PAVE ROAD (HILL)	D. H. H. H.	MIS	1,327,934	10,575,432	12,103,372	10,000,000	4,000,000	14,000,000
Overland	Overland	Ward 11	REPAIRS TO THE EXISTING PAVE ROAD (HILL)	D. H. H. H.	MIS	1,327,934	10,575,432	12,103,372	10,000,000	4,000,000	14,000,000
Overland	Overland	Ward 12	REPAIRS TO THE EXISTING PAVE ROAD (HILL)	D. H. H. H.	MIS	1,327,934	10,575,432	12,103,372	10,000,000	4,000,000	14,000,000
Overland	Overland	Ward 13	REPAIRS TO THE EXISTING PAVE ROAD (HILL)	D. H. H. H.	MIS	1,327,934	10,575,432	12,103,372	10,000,000	4,000,000	14,000,000

Area	Local Area	Ward	Project Description	Project Manager	Funding Source	COUNCIL FUNDS	EXTERNAL GRANTS	TOTAL	COUNCIL FUNDS	EXTERNAL GRANTS	TOTAL	COUNCIL FUNDS	EXTERNAL GRANTS	TOTAL
Municipal Government	City of Vancouver	Ward 1	STORMWATER			460 000	2 475 500	2 875 500		1 000 000	1 000 000		1 000 000	1 000 000
	City of Vancouver	Ward 2	STORMWATER			100 000	100 000	100 000						
	City of Vancouver	Ward 3	STORMWATER			100 000	100 000	100 000						
	City of Vancouver	Ward 4	STORMWATER			100 000	100 000	100 000						
	City of Vancouver	Ward 5	STORMWATER			100 000	100 000	100 000						
Municipal Government	City of Vancouver	Ward 6	STORMWATER			100 000	100 000	100 000						
	City of Vancouver	Ward 7	STORMWATER			100 000	100 000	100 000						
	City of Vancouver	Ward 8	STORMWATER			100 000	100 000	100 000						
	City of Vancouver	Ward 9	STORMWATER			100 000	100 000	100 000						
	City of Vancouver	Ward 10	STORMWATER			100 000	100 000	100 000						
GRAND TOTAL						39 098 970	64 815 121	103 914 091	33 730 000	60 875 877	94 605 877	30 000 000	73 561 240	103 561 240

**FUNDING:**  
 EXTERNAL LOAN #78 (GENERAL CAPITAL)  
 SURPLUS CASH  
 OPERATING CASH  
 SURPLUS WSP - OWNER  
 SURPLUS CONTR. OWNER  
 EXTERNAL LOAN #79 (OVER)  
 PUBLIC CONTR. - SOLAR HEAT E. P-OVER  
 WSP  
 REP  
 PROV. HOUSING  
 LOTTO

39 098 970 64 815 121 103 914 091 33 730 000 60 875 877 94 605 877 30 000 000 73 561 240 103 561 240





# 2015/2016 - R400 000 WARD PROJECTS

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Town	Local Area	Ward	Project Description	TOTAL	PROJECT MANAGER
Gansbaai	Masakhane	1	Extension of community hall	150 000	F Myburgh
Gansbaai	Fkraai/KbMkhane	1	Stormwater -Ad hoc	50 000	J De Villiers
Gansbaai	Masakhane	1	Sidewalks	100 000	F Myburgh
Gansbaai	Masakhane	1	Stormwater drainage channels - Phase 2	100 000	J De Villiers
				400 000	
Gansbaai	Gansbaai All	2	Stormwater	200 000	J De Villiers
Gansbaai	Gansbaai All	2	Repair/Replace/Refurbish Playpark equipment	60 000	F Myburgh
Gansbaai	Beverly Hills	2	Alterations to soup kitchen	10 000	F Myburgh
Gansbaai	Gansbaai	2	Greening of Main Street Gansbaai(Phase 2)	30 000	F Myburgh
Gansbaai	Gb Mkhane Kb	2	Beautification of intersection (Phase 2)	50 000	F Myburgh
Gansbaai	Gb Mkhane Kb	2	Replacement of refuse bins	30 000	F Myburgh
				400 000	
Hermanus	Hermanus	3	Upgrading of Whale Tail Fountain	60 000	D Kearney
Hermanus	Hermanus	3	Upgrading of Cliff path	100 000	D Kearney
Hermanus	Hermanus	3	Upgrading of Sidewalks	220 000	D Kearney
Hermanus	Hermanus	3	Sundials	20 000	D Kearney
				400 000	
Hermanus	Mount Pleasant	4	Upgrading of Moffat Hall Kitchen	200 000	D Kearney
Hermanus	Westcliff	4	Play park -Westdone	100 000	D Kearney
Hermanus	Mount Pleasant	4	Building retaining wall around tennis court at mount pleasant sport grounds	100 000	D Kearney
				400 000	
Hermanus	Zwelithle	5	Flood lights for Zwelithle sports ground	100 000	D Kearney
Hermanus	Zwelithle	5	Building of boundary wall at Zwelithle sports ground	100 000	D Kearney
Hermanus	Zwelithle	5	Installation of subsoli drainage back of Chris Ham street	150 000	D Kearney
Hermanus	Zwelithle	5	Investigation to convert the top floor of the Business Centre in ward 12 to a community hall	50 000	D Kearney
				400 000	
Hermanus	Zwelithle	6	Electrification of Ziphuzana & Thambo Square informal settlement	400 000	K Du Plessis
				400 000	
Hermanus	Sanidbaai	7	Tarring of roads	400 000	D Kearney
				400 000	
Hermanus	Fisherhaven	8	Upgrading of streets & stormwater systems	200 000	D Kearney
Hermanus	Hawston	8	Hawston Sport Grounds Floodlights	150 000	D Kearney
Hermanus	Hawston	8	Paving of circles (incl. stormwater)	50 000	D Kearney
				400 000	





Town	Local Area	Ward	Project Description	TOTAL	PROJECT MANAGER	
Kleinmond	Kleinmond	9	Upgrading of wooden footpath - Beach Rd	100 000	D Lacey	Operational
Kleinmond	Kleinmond	9	Extension of Heuningklod footpath	200 000	D Lacey	Capital
Kleinmond	Kleinmond	9	Storm water	30 000	D Lacey	Operational
Kleinmond	Kleinmond	9	Street lights	40 000	D Lacey	Capital
Kleinmond	Kleinmond	9	Speed humps	30 000	D Lacey	Operational
				400 000		
Rooi Els	Rooi Els	10	Speed calming & general signage	6 500	D Lacey	Operational
Rooi Els	Rooi Els	10	Boardwalks	3 500	D Lacey	Operational
Rooi Els	Rooi Els	10	Equipment for Hack	5 000	D Lacey	Operational
Rooi Els	Rooi Els	10	Additional Speed Humps	23 000	D Lacey	Operational
Kleinmond	Parmel	10	Speed Humps	20 000	D Lacey	Capital
Kleinmond	Overhills	10	Play Park	10 000	D Lacey	Operational
Kleinmond	Mountain View	10	Speed Humps	20 000	D Lacey	Operational
Betty's Bay	Moduluisig	10	Upgrading of Moduluisig Hall (plan only)	15 000	D Lacey	Operational
Kleinmond	Proleadorp	10	Beautification of Open Space - Ausia Crescent	20 000	D Lacey	Operational
Pingile Bay	Pingile Bay	10	Beautification of Fire Station & Parking Area - Pingile Bay	195 000	D Lacey	Capital
Pingile Bay	Pingile Bay	10	Additional Parking & Gravel Strip - Pingile Bay Hall	60 000	D Lacey	Capital
				400 000		
B-bos	Bskeerderbos	11	Stormwater	50 000	J De Villiers	Capital
Stanford	Stanford	11	Pavement in Morton-Bezuidenhout Street	130 000	F Myburgh	Capital
Stanford	Stanford	11	Paving of Sidewalk - Shortmarket Street (between De Bruyn & Morton)	100 000	F Myburgh	Capital
B-bos	Bskeerderbos	11	Beautification of Town Entrance (Signage)	25 000	F Myburgh	Operational
Gansbaai	Pearly Beach	11	Tarring of roads	80 000	F Myburgh	Capital
Gansbaai	Buifelsjachtsbaai	11	Village Garden Buifelsjachtsbaai	15 000	F Myburgh	Operational
				400 000		
Hermanus	Zwellille	12	Flood lights for Zwellille sports ground	150 000	D Kearney	Capital
Hermanus	Zwellille	12	Upgrading Thambo Square Play Park(Rubber matting)	50 000	D Kearney	Operational
Hermanus	Zwellille	12	Upgrading Zwellille Community Hall (Ceiling Tiles)	200 000	D Kearney	Operational
				400 000		
Hermanus	Onrus/Vermont	13	Allantic Drive Walkway	200 000	D Kearney	Capital
Hermanus	Onrus/Vermont	13	Coastal Path	50 000	D Kearney	Operational
Hermanus	Onrus/Vermont	13	De Wet Hall (Roof & Floor)	120 000	D Kearney	Operational
Hermanus	Onrus/Vermont	13	Street Lights (6)	30 000	D Kearney	Capital
				400 000		

TOTAL

5 200 000



HOUSING - PROPOSED 3 YEARS OPEX/CAPEX SPLIT											
	Cost Code	OPEX 2015/16	ADJUSTMENT	DRAFT OPEX 2015/16	CAPEX2015/16	ADJUSTMENT	CAPEX2015/16	DRAFT OPEX 2016/2017	CAPEX 2016/2017	OPEX 2017/2018	CAPEX 2017/2018
Top Structures PB	101029548	R 2 000.00	R 2 000.00								
Services PB	50105028051										
Masakhane	50105028121										
Mount Pleasant TS	50105028211	R 5 500 000.00	(R 5 522 917.00)	R 11 027 917.00							
Mount Pleasant IRDP	101029547										
Betty's bay	50105028141										
Beverly Hills	50105028221										
Overhills	1010290508	R 240 000.00	R 240 000.00								
EHP	50105028131										
Blompark	50105028101										
Hawston IRDP	50105028151	R 5 019 396.00	(R 7 748 507.00)	R 12 758 905.00							
Swardamweg TS	50105028151										
Stanford IRDP	50105028231										
Admin Site											
Site C2											
Transit Camp											
Tambo Square											
Butterflybaan		R 6 380 000.00	R 6 380 000.00								
Garden Site TS											
Mandela Square											
Garden Site											
TOTALS	50105028241	R 17 141 396.00	(R 434 976.00)	R 6 434 976.00	R 4 665 648.00	R 1 064 690.00	R 3 620 958.00	R 27 450 121.00	R 34 749 877.00	R 8 875 760.00	R 44 324 340.00
YEARS		R 47 114 000.00	R (13 084 350.00)	R 30 216 748.00	R 25 972 604.00	R 13 084 350.00	R 16 888 254.00	R 62 230 000.00	R 53 250 000.00		




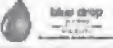


**ANNEXURE F**

**WATER & WASTE WATER QUALITY**







Water Services Authority	Overstrand Local Municipality
Water Services Provider(s)	Overstrand Local Municipality

Municipal Blue Drop Score 96.82 %

Performance Area	System	Greater Hermanus 	Buffels River 	Kleinmond 	Standford Oog 
Water Safety Planning (35%)		98	98	100	91
Treatment Process Management (10%)		85	65	65	65
DWQ Compliance (30%)		100	100	100	100
Management, Accountability (10%)		96	96	96	96
Asset Management (15%)		100	87	87	87
Bonus Scores		0.50	1.58	1.15	1.76
Penalties		0	0	0	0
<b>Blue Drop Score (2012)</b>		<b>97.93 % (↑)</b>	<b>95.00 % (↑)</b>	<b>95.27 % (↑)</b>	<b>92.73 %</b>
2011 Blue Drop Score		87.23 %	95.07 %	93.09 %	95.15 %
2010 Blue Drop Score		75.31 %	63.83 %	60.06 %	Not Assessed
System Design Capacity (Ml/d)		28	5.5	5.8	0.259
Operational Capacity (% to Design)		32.14	50.91	43.10	96.53
Population Served		42 824	3 037	9 822	5 315
Average daily Consumption (l/p/d)		210.16	921.96	254.53	47.04
Microbiological Compliance (%)		99.0%	99.0%	99.0%	99.0%
Chemical Compliance (%)		99.5%	99.0%	99.0%	99.0%

Performance Area	System	Greater Gansbaai 	Buffeljagsbaai 	Baard-skeerdersbos 	Pearly Beach 
Water Safety Planning (35%)		97	93	91	97
Treatment Process Management (10%)		90	65	65	65
DWQ Compliance (30%)		100	100	91	100
Management, Accountability (10%)		96	96	96	96
Asset Management (15%)		91	91	91	91
Bonus Scores		0.91	1.50	2.66	1.51
Penalties		0	0	0	0
<b>Blue Drop Score (2012)</b>		<b>97.12 % (↑)</b>	<b>93.81 % (↑)</b>	<b>91.57 %</b>	<b>95.22 % (↑)</b>
2011 Score		95.10 %	75.37 %	93.68 %	94.31 %
2010 Score		63.81 %	Not Assessed	Not Assessed	Not Assessed
System Design Capacity (Ml/d)		6.5	2.064	3.6	1.44
Operational Capacity (% to Design)		55.38	4.17	0.56	24.31
Population Served		15 924	290	229	897
Average daily Consumption (l/p/d)		226.07	296.55	87.34	390.19
Microbiological Compliance (%)		99.0%	99.0%	99.0%	99.0%
Chemical Compliance (%)		99.7%	99.0%	96.1%	99.0%



### Regulatory Impression

The Overstrand Local Municipality can again take pride in the commitment of all officials that are responsible for the remarkable Blue Drop performance during this audit cycle. In spite of losing out on one certification (Stanford Oog) the Blue Drop tally improved from three in 2011 to five in 2012 and this is reflected in the overall Blue Drop score which increased from 90.56% (2011) to 96.82% (2012). The improvement of drinking water quality management in all systems is commendable and it is trusted that this performance will be sustained.

Water loss figures were not reported and this is a concerning factor which requires attention since consumption figures for the Buffels River system is rather excessive in comparison with other volumes used in other supply systems. Even though drinking water quality management in this particular system is deemed excellent when measured against the stringent criteria set, this certification will be reviewed should the municipality fail to supply the Department with meter readings that prove the contrary or an acceptable plan to improve water use efficiency.

The improvement in the chemical compliance is another commendable feat since this was noted in the previous cycle as an area of concern. Further improvement in this regard is expected for the system of Baardskeerdersbos.

### Site Inspection Report

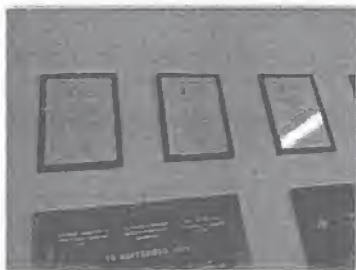
**Buffelsrivier WTW** 62.6 %\*

**Franskraal WTW (G. Gansbaai)** 90.6 %

The inspectors were not impressed with general appearance of the Buffelsrivier water treatment facility during the on-site audit. However the accommodative nature of the municipality as well as the speedy reaction to shortcomings identified at this plant are impressive. The housekeeping concerns and signs of neglect were dealt with by the swiftness of a team evidently reluctant to lose certification at all cost.



*The neat environment at the Franskraal WTW*



*Proud display of previous award*

The on-site audit at Franskraal confirmed that the water supply system of the Greater Gansbaai is worthy of its Blue Drop certification status. It is however trusted that the risks posed by not having a spare chlorinator and the difficulty of cleaning the sedimentation tanks will be given the required attention.

\*It was proven that the on-site situation improved since the audit; making this score no longer relevant.

2013

GREEN  
DROP

## REPORT

VOLUME 1:

MUNICIPAL AND PRIVATE  
WASTEWATER SYSTEMS

FINAL DRAFT



water affairs

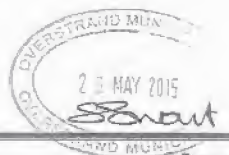
Department:  
Water Affairs  
REPUBLIC OF SOUTH AFRICA

green drop

CERTIFICATION

WASTE WATER SERVICES  
REGULATION

Together committed to excellent Water Quality for the future



## ACRONYMS

ACRONYMS	DESCRIPTION
ADWF	Average Dry Weather Flow
CFO	Chief Financial Officer
COD	Chemical Oxygen Demand
CRR	Cumulative Risk Rating
DPW	Department of Public Works
DWA	Department of Water Affairs
GA	General Authorisation
GDC	Green Drop Certification
GDS	Green Drop System ( <a href="http://www.dwa.gov.za/greendrop">www.dwa.gov.za/greendrop</a> )
GWSA	Green Water Services Audit
IMP	Incident Management Protocol
KPA / KPI	Key Performance Area / Indicator
LM	Local Municipality
NA	[Not assessed]
NI	[No information]
O&M	Operation and Maintenance
RPMS	Service Level Agreement
SLA	Regulatory Performance Measurement System
SS	Suspended Solids
W <sub>2</sub> RAP	Wastewater Risk Abatement Plan
WIN-SA	Water Information Network of South Africa
WRC	Water Research Commission
WSA	Water Services Authority
WSP	Water Services Provider
WSI	Water Services Institutions
WWTP/W	Wastewater Treatment Plant / Works
<b>PROVINCES</b>	
EC	Eastern Cape Province
FS	Free State Province
GP	Gauteng Province
LP	Limpopo Province
MP	Mpumalanga Province
NW	North West Province
NC	Northern Cape Province
KZN	Kwa-Zulu Natal Province
WC	Western Cape Province



The following is an example of a typical municipal report card that appears in the Green Drop Report 2013. Results are provided in colour coded format – each colour has a specific meaning and performance reference.

Water Services Authority		ABC Local Municipality	
Water Services Provider(s)		ABC WSP	
2013 Municipal Green Drop Score		81.63%	
2011 Municipal Green Drop Score		63.80%	
2009 Municipal Green Drop Score		75.00%	

The Municipal Green Drop score is a **Performance Indicator** of the overall municipal wastewater business (function of the available design capacity and the individual Green Drop scores).

Arrows: Depict the current Green Drop status of the plant. A ↑ arrow shows improvement upon the 2009 situation, ↓ shows digress, ⇒ shows unchanged situation

Key Performance Area	Weight	System X
Process Control & Maintenance Skills	10%	67
Monitoring Programme	15%	95
Submission of Results	5%	100
Effluent Quality Compliance	30%	16
Risk Management	15%	90
Local Regulation	5%	100
Treatment Capacity	5%	100
Asset Management	15%	94
Bonus Scores		8.48
Penalties		1.90
Green Drop Score (2013)		74.88%
2011 Green Drop Score		47.00%
2009 Green Drop Score		66.00%
System Design Capacity	ML/d	2.3
Capacity Utilisation (% ADWF to Design Capacity)		112.0%
Resource Discharged into		Pienaars River (sensitive, special standard apply)
Microbiological Compliance	%	12.95%
Chemical Compliance	%	24.35%
Physical Compliance	%	20.69%
Overall Compliance	%	20.90%
Wastewater Risk Rating (2012)		76.50%
Wastewater Risk Rating (2013)		76.47%

Colour codes

90-100%	Excellent situation, need to maintain via continued improvement
80-90%	Good status, improve where gaps identified to shift to 'excellent'
50-80%	Fair performance, ample room for improvement
30-50%	Very poor performance, need targeted intervention towards gradual sustainable improvement
0-31%	Critical state, need urgent intervention for all aspects of the wastewater services business

≥90% = Green Drop Certification  
<30% = Purple Drop Status

Plant is receiving 12% more wastewater compared to its original design capacity (ADWF)

Effluent quality compliance to legislative standards carries a high (30%) weight in the GDC score

The CRR% Deviation (CRR/ CRRmax) score is specific to the wastewater "treatment" function of the service. This score indicates the actual risk as a % of the maximum risk that the plant potentially can reach. An orange and red block indicate that the plant is in high- or critical risk that warrants urgent attention. A higher value reflects a high risk state (undesirable). A lower value reflects a lower risk state.

Note: volumetric capacity refers to Average Dry Weather Flow

CRR% Deviation	90 – 100% Critical risk WWTP
	70 - <90% High Risk WWTP
	50-<70% Medium risk WWTP
	<50% Low Risk WWTP

Note: volumetric capacity refers to Average Dry Weather Flow

CRR% Deviation	90 - 100% Critical risk WWTP
	70 - <90% High Risk WWTP
	50-<70% Medium risk WWTP
	<50% Low Risk WWTP



## 1. GREEN DROPSCORECARD 2012/13

*The Stockdale paradox:  
Confront the brutal truth of the situation, yet at the  
same time, never give up hope.*

Green Water Services Audits are conducted by a panel consisting of a qualified wastewater professional as Lead Assessor, supported by 2 Assessors. The team selection is done based on the outcomes of a Green Drop Examination which tests the assessor's knowledge and competence in the subject field.

The following scorecard outlines the key requirements of the Green Drop assessment and indicates the Portfolio of Evidence that was required by each Water Services Institution to calculate a Green Drop score per wastewater system.

**Green Water Services Audit Period : 1 July 2011 – 30 June 2012**

Green Drop Key Performance Area	Requirements	Sub-Requirements
(1) Process Control and Maintenance	(1.1) <b>WORKS REGISTRATION</b>	a) The wastewater treatment facility is registered as per the Requirements of Regulation 2834/17.
[10%]	(1.2) <b>PROCESS CONTROLLER &amp; SUPERVISOR REGISTRATION</b>	a) Copies of Registration Certificates of Process Controllers and Supervisor(s) b) Copies of the classification certificates of all process controllers/operators and supervisors/ superintendents must be uploaded on the GDS; c) Compliance with Regulation 2834 (must comply at least 50% in each of the shifts); WSI must indicate shift patterns or measures in place when a shift does not comply with Regulatory Process Control Requirements. d) WSI must indicate process controllers and/or supervisors that are 'shared' across different plants/sites.
	1.3) <b>MAINTENANCE TEAM</b>	a) Evidence of Maintenance Team used for general maintenance work at the plant & pump- stations(both mechanical and electrical) b) Information on in-house staff (or organogram) or external contractor/s c) Provide additional proof of competency of team (e.g. Qualification & Experience & Trade- test) d) Provide a site specific operation and maintenance schedule (routine / scheduled) e) Contract or Logbook with maintenance entries to serve as evidence of the above aspects b) Proof of a 'site-specific' Operation & Maintenance Manual O&M manual to contain: 1. structural, 2. mechanical, 3. electrical detail of plant, 4. design specifications of plant, 5. reference to drawings, 6. operational schedules, 7. maintenance schedules, 8. process detail and control, 9. instrumentation specification/type, 10. fault finding, 11. monitoring, 12. pump curves, 13. supportive appendices
	1.4) <b>OPERATIONS &amp; MAINTENANCE MANUAL</b>	
	(1.5) <b>OPERATIONAL LOGBOOK</b>	a) A logbook is in place to record all incidents at the wastewater treatment works. b) Evidence is presented that the logbook process is being implemented.



1. Names of trainees and signature of attendance / Certificate
2. Date and training subject field
3. Training provider and content of training

(2)

### Wastewater Monitoring Programme

(2.1)

## OPERATIONAL MONITORING

Note 2: A monitoring programme alone will not be sufficient to obtain full score; Analyses results should proof implementation of the monitoring programme.

(2.3)

LABORATORY USED

b) Provide the turnaround in laboratory analysis (In hours: from time of submission to time of results dissemination)

(2.3)

### LABORATORY CREDIBILITY

c) Or Proof of Intra- and Inter-laboratory proficiency (quality assurance as prescribed in Standard Methods)

(2.4)

### PROCESS CONTROL / MONITORING RESULTS

The assessor will select at random analytical parameter/s from the presented analytical results to present an audit question. This might be checked during on-site assessment.

(3)

### Submission of Wastewater Quality Results

(3.1)

## DATA SUBMISSION

2. WSA must ensure that 12 months' sets of results are submitted and recorded on the GDS prior to the assessment. Note: All compliance results' data required

[5%]

**TENTATIVELY**





\_\_\_\_\_

[5%]

[15%]



- d) Updated sanitation / wastewater Infrastructure Asset Register  
 1. Proof of Asset Register, evidence to be submitted. Asset register to include movable equipment and immovable infrastructure / assets with matching detail.  
 The asset register must detail :  
 a) relevant equipment and infrastructure  
 b) indicate asset description  
 c) location  
 d) condition (remaining life)  
 e) replacement value

(8.3)

## WASTEWATER ASSET REGISTER

(8.4)

## O&amp;M BUDGET &amp; EXPENDITURE

- e) Operation and maintenance budget and comparative expenditure detail for:

1. wastewater treatment (in cents/m<sup>3</sup>), and
2. collection system (R/m<sup>3</sup>)

The assessor will require the WSI to explain how these figures compare or are benchmarked to determine whether budget is (in)sufficient

NOTE: Indicate whether WSI could only provide global figures or system specific figures.

(8.5)

## PUMPSTATION MAINTENANCE

Proof of maintenance work done on mechanical, electrical, civil per pumpstation

Additional Bonuses	(AB 1) CROSS-POLLINATION	WSI is able to provide evidence of improvement partnership initiatives with smaller municipalities (Cross-pollination). Green Drop scores will serve as good evidence to measure the outcomes of such initiative/s.
	(AB 2) STORMWATER MANAGEMENT	Proof of a Storm-water management plan detailing how storm-water entry is quantified, managed and monitored to prevent entry to sewer systems. Plan should also include measures to prevent sewage from entering stormwater systems. Evidence of implementation required
	(AB 3) WATER DEMAND MANAGEMENT	Water Demand Management Plan which provides a strategy and/or work plan that identify, quantify, monitor and manage leakages and water losses of any kind that (may) create an artificial water demand due to higher hydraulic loading of wastewater collection and treatment infrastructure. The bonus will be maximised should a wastewater flow balance be provided.

Green Drop Certification status = ≥90%  
score against the above criteria.



Purple Drop status = <30% against the  
above criteria.



*"If you are going to achieve excellence in big things, you develop the habit in little matters. Excellence is not an exception, it is a prevailing attitude."*

Colin Powell

## 1. Overstrand Local Municipality

Water Services Authority	Overstrand Local Municipality
Water Services Provider(s)	Overstrand Local Municipality

2013 Municipal Green Drop Score	89.14%
2011 Municipal Green Drop Score	88.80%
2009 Municipal Green Drop Score	63.00%

Key Performance Area	Weight	Hermanus	Hawston	Stanford	Gansbaai
Process Control & Maintenance Skills	10%	84	100	100	100
Monitoring Programme	15%	93	95	95	100
Submission of Results	5%	100	100	100	100
Effluent Quality Compliance	30%	68	69	85	77
Risk Management	15%	96	73	73	73
Local Regulation	5%	100	100	100	100
Treatment Capacity	5%	100	100	100	96
Asset Management	20%	96	93	96	93
Bonus Scores		4.85	5.48	3.55	4.43
Penalties		0.20	0.23	0.30	0.37
Green Drop Score (2013)		91.17%	90.03%	93.39%	91.76%
2011 Green Drop Score		92.10%	87.90%	83.00%	75.80%
2009 Green Drop Score		66.00%	57.00%	61.00%	66.00%
System Design Capacity	M/d	7.3	1	0.5	2
Capacity Utilisation (% ADWF to Design Capacity)		56.89%	30.00%	79.20%	55.00%
Resource Discharged into		Sea outfall (shallow)	Natural Wetland to Dunes	Kleinrivier	Lined wetlands, sportsfield irrigate
Microbiological Compliance	%	91.67%	91.67%	91.67%	100.00%
Chemical Compliance	%	87.50%	81.25%	90.00%	93.75%
Physical Compliance	%	66.67%	91.67%	94.44%	80.56%
Overall Compliance	%	80.21%	86.46%	91.67%	89.58%
Wastewater Risk Rating (2012)		34.70%	33.30%	44.40%	38.90%
Wastewater Risk Rating (2013)		45.45%	29.41%	29.41%	35.29%

Key Performance Area	Weight	Kleinmond
Process Control & Maintenance Skills	10%	80
Monitoring Programme	15%	95
Submission of Results	5%	100
Effluent Quality Compliance	30%	29
Risk Management	15%	73
Local Regulation	5%	100
Treatment Capacity	5%	56
Asset Management	15%	100
Bonus Scores		8.84
Penalties		0.91
Green Drop Score (2013)		77.61%
2011 Green Drop Score		82.50%

2009 Green Drop Score		66.00%
System Design Capacity	ML/d	2
Capacity Utilisation (% ADWF to Design Capacity)		44.90%
Resource Discharged into		Sea (shallow outfall)
Microbiological Compliance	%	83.33%
Chemical Compliance	%	77.08%
Physical Compliance	%	100.00%
Overall Compliance	%	86.46%
Wastewater Risk Rating (2012)		44.40%
Wastewater Risk Rating (2013)		47.06%

### Regulatory Impression

The Overstrand Local Municipality is to be congratulated with an outstanding performance and able presentation of their Portfolio of Evidence. The Inspection team were impressed with "... the team's enthusiasm, expertise and knowledge of the wastewater business." As result, Overstrand is awarded with four Green Drop Certificates. The overall management of all five systems is consistent and indicative of the personnel's dedication and discipline to wastewater management. Regrettably, the Kleinmond system did not perform on par with the other 3 systems, which weakened the municipal Green Drop score to 89.14%, just short of overall Green Drop award.

The points of strength include the high overall compliance of effluent quality, prominent risk abatement, and technical skilled staff with strong management support and involvement. The presence of the Finance department contributed to the positive score received for asset management and ringfenced costing. The Hermanus WWTW is currently in the process of upgrading the works to 12ML/d. Monitoring programs should be revised to include sludge monitoring at all systems and to ensure sufficient sampling frequency where process upgrades have occurred.

Overall, Overstrand has managed to produce a polished Green Drop Performance. Overstrand is also one of very few municipalities that were using the opportunity to score against all the bonus criteria. **Well done.** The absolute consistency displayed in keeping all systems in low risk zones using the W<sub>2</sub>RAP process, is commendable. Overstrand is an accomplished service provider in wastewater management, and deserves to be mentioned amongst the top performers in the Province.

#### Green Drop findings:

1. Regulation 17 compliance need to receive attention
2. Sea outfall monitoring frequency need to be revised for Hermanus
3. Sludge monitoring and handling could improve going forward
4. Some shortcomings are evident on process assessment which might possibly resolve some of the lower compliance to ammonia, EC, O-PQ<sub>4</sub>, SS/COD at some plants, given that ample capacity exist at all plants.

### Site Inspection Report

Kleinmond

75%

The Kleinmond plant was inspected to verify the Green Drop findings:

- The plant is beautifully set, with notices, PFD, manuals and signage in place
- Process control logbooks can be improved, as well as instrumentation
- Flows recorded, except nightflow, 60% tankered, daily pumpstations checks
- Aeration of wastewater well maintained, goo process control, lime slightly slug dosed, MLSS used along temperature
- Disinfection via ultraviolet radiation, clear overflows to feed beds (Phragmites) for polishing. UV performance questioned.



## ANNEXURE G

## SERVICE LEVEL STANDARDS

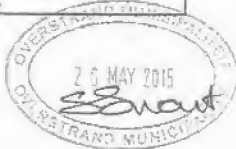




Province: Municipality(WC032) - Schedule of Service Delivery Standards	
Description	Service Level
<b>Solid Waste Removal</b>	
Premise based removal (Residential Frequency)	WEEKLY
Premise based removal (Business Frequency)	UP TO 5 TIMES PER WEEK (AS PER REQUEST)
Bulk Removal (Frequency)	NO
Removal Bags provided(Yes/No)	NO
Garden refuse removal Included (Yes/No)	NO
Street Cleaning Frequency in CBD	DAILY
Street Cleaning Frequency in areas excluding CBD	AS AND WHEN NEEDED
How soon are public areas cleaned after events (24hours/48hours/longer)	WITHIN 24 HRS
Clearing of illegal dumping (24hours/48hours/longer)	48 HOURS
Recycling or environmentally friendly practices(Yes/No)	Yes
Licensed landfill site(Yes/No)	Yes
<b>Water Service</b>	
Water Quality rating (Blue/Green/Brown/NO drop)	5 Blue Drops 99.82% , 4 Green Drops 89.14% (2012)
Is free water available to all? (All/only to the indigent consumers)	Indigent consumers
Frequency of meter reading? (per month, per year)	Monthly
Are estimated consumption calculated on actual consumption over (two month's/three month's/longer period)	N/A
On average for how long does the municipality use estimates before reverting back to actual readings? (months)	N/A
<b>Duration (hours) before availability of water is restored in cases of service interruption (complete the sub questions)</b>	
One service connection affected (number of hours)	1.00
Up to 5 service connection affected (number of hours)	2.00
Up to 20 service connection affected (number of hours)	3.00
Feeder pipe larger than 800mm (number of hours)	N/A
What is the average minimum water flow in your municipality?	Min 2.4Bar pressure
Do you practice any environmental or scarce resource protection activities as part of your operations? (Yes/No)	Yes
How long does it take to replace faulty water meters? (days)	2 days
Do you have a cathodic protection system in place that is operational at this stage? (Yes/No)	No
<b>Electricity Service</b>	
What is your electricity availability percentage on average per month?	94% (Eskom Loadshedding included) 98.8% (Eskom Loadshedding excluded)
Do your municipality have a ripple control in place that is operational? (Yes/No)	YES
How much do you estimate is the cost saving in utilizing the ripple control system?	R 4 621 375 00 p/a
What is the frequency of meters being read? (per month, per year)	PER MONTH
Are estimated consumption calculated at consumption over (two month's/three month's/longer period)	N/A
On average for how long does the municipality use estimates before reverting back to actual readings? (months)	N/A
<b>Duration before availability of electricity is restored in cases of breakages (immediately/one day/two days/longer)</b>	IMMEDIATE
Are accounts normally calculated on actual readings? (Yes/no)	YES
Do you practice any environmental or scarce resource protection activities as part of your operations? (Yes/No)	NO
How long does it take to replace faulty meters? (days)	1
Do you have a plan to prevent illegal connections and prevention of electricity theft? (Yes/No)	YES
How effective is the action plan in curbing line losses? (Good/Bad)	GOOD



Standard	Description	Service Level
How soon does the municipality provide a quotation to a customer upon a written request? (days)		7
How long does the municipality takes to provide electricity service where existing infrastructure can be used? (working days)		5
How long does the municipality takes to provide electricity service for low voltage users where network extension is not required? (working days)		5
How long does the municipality takes to provide electricity service for high voltage users where network extension is not required? (working days)		5
<b>Sewerage Service</b>		
Are your purification system effective enough to put water back in to the system after purification?		YES
To what extend do you subsidize your indigent consumers?		Basic charge plus one after hour tanker service
<b>How long does it take to restore sewerage breakages on average</b>		
Severe overflow? (hours)		2.00
Sewer blocked pipes: Large pipes? (Hours)		2.00
Sewer blocked pipes: Small pipes? (Hours)		2.00
Spillage clean-up? (hours)		4.00
Replacement of manhole covers? (Hours)		2.00
<b>Road Infrastructure Services</b>		
Time taken to repair a single pothole on a major road? (Hours)		2.00
Time taken to repair a single pothole on a minor road? (Hours)		2.00
Time taken to repair a road following an open trench service crossing? (Hours)		5.00
Time taken to repair walkways? (Hours)		6.00
<b>Property valuations</b>		
How long does it take on average from completion to the first account being issued? (one month/three months or longer)		3 months
Do you have any special rating properties? (Yes/No)		yes
<b>Financial Management</b>		
Is there any change in the situation of unauthorised and wasteful expenditure over time? (Decrease/increase)		Decrease
Are the financial statement outsourced? (Yes/No)		No
Are there Council adopted business process structuring the flow and management of documentation feeding to Trial Balance?		Standard Operating Procedures
How long does it take for an Tax/Invoice to be paid from the date it has been received?		24-83 days
Is there advance planning from SCM unit linking all departmental plans quarterly and annually including for the next two to three years procurement plans?		Partially (currently being developed)
<b>Administration</b>		
Reaction time on enquiries and requests?		1 to 10
Time to respond to a verbal customer enquiry or request? (working days)		1 to 10
Time to respond to a written customer enquiry or request? (working days)		10
Time to resolve a customer enquiry or request? (working days)		10
What percentage of calls are not answered? (5%, 10% or more)		1
How long does it take to respond to voice mails? (hours)		N/A
Does the municipality have control over locked enquiries? (Yes/No)		yes



Description	Service Level
<b>Standard</b>	
Is there a reduction in the number of complaints or not? (Yes/No)	no
How long does it take to open an account to a new customer? (1 day/ 2 days/ a week or longer)	1 day
How many times does SCM Unit, CFO's Unit and Technical unit sit to review and resolve SCM process delays other than normal monthly management meetings?	Weekly
<b>Community safety and licensing services</b>	
How long does it take to register a vehicle? (minutes)	30min
How long does it take to renew a vehicle license? (minutes)	10min
How long does it take to issue a duplicate registration certificate vehicle? (minutes)	72hours
How long does it take to de-register a vehicle? (minutes)	10min
How long does it take to renew a drivers license? (minutes)	30min
What is the average reaction time of the fire service to an incident? (minutes)	4.25 min
What is the average reaction time of the ambulance service to an incident in the urban area? (minutes)	15 min urban
What is the average reaction time of the ambulance service to an incident in the rural area? (minutes)	40 min urban
<b>Economic development</b>	
How many economic development projects does the municipality drive?	7
How many economic development programme are deemed to be catalytic in creating an enabling environment to unlock key economic growth projects?	4
What percentage of the projects have created sustainable job security?	50
Does the municipality have any incentive plans in place to create an conducive environment for economic development? (Yes/No)	No
<b>Other Service delivery and communication</b>	
Is a information package handed to the new customer? (Yes/No)	Yes - available on www.overstrand.gov.za
Does the municipality have training or information sessions to inform the community? (Yes/No)	Yes
Are customers treated in a professional and humanly manner? (Yes/No)	Yes



**ANNEXURE H**

**SCOA REGULATIONS, NT BUDGET  
CIRCULARS & FINANCIAL RATIOS AND  
NORMS**







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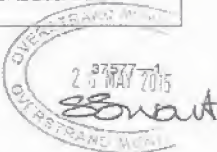
Pretoria, 22 April 2014

**No. 37577**

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## GOVERNMENT NOTICE

## National Treasury

## Government Notice

R. 312 Local Government: Municipal Finance Management Act (56/2003): Municipal Regulations on Standard Chart of Accounts ..... 3 37577



## GOVERNMENT NOTICE

## NATIONAL TREASURY

No. R. 312

22 April 2014

LOCAL GOVERNMENT: MUNICIPAL FINANCE MANAGEMENT ACT, 2003:  
MUNICIPAL REGULATIONS ON STANDARD CHART OF ACCOUNTS

The Minister of Finance has, in terms of section 168 of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003), and acting with the concurrence of the Minister of Cooperative Governance and Traditional Affairs, made the regulations as set out in the Annexure.



## ANNEXURE

## Preamble

Section 216 of the Constitution of the Republic of South Africa, 1996, provides that national legislation must prescribe measures to ensure transparency and expenditure control in each sphere of government by introducing generally recognised accounting practice, uniform expenditure classifications and uniform treasury norms and standards. The Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003), determines those measures for the local sphere of government and enables the Minister of Finance to further prescribe by regulation such measures in terms of section 168 thereof. The National Treasury is responsible for enforcing compliance with such measures, in addition to those functions assigned to it in terms of the Public Finance Management Act, 1999 (Act No. 1 of 1999). The National Treasury must compile national accounts incorporating all three spheres of government.

Uniform expenditure classifications have already been established and implemented for national and provincial government departments. These Regulations propose segments and a classification framework for the standard chart of accounts to be applied in local government in similar form to that implemented for national and provincial government departments. In order to enable the National Treasury to provide consolidated local government information for incorporation in national accounts, national policy and other purposes, it must obtain financial information from individual municipalities. Currently, each municipality manages and reports on its financial affairs in accordance with its own organisational structure and unique chart of accounts. The result is a disjuncture amongst municipalities and municipal entities and between municipalities and the other spheres of government as to how they classify revenue and expenditure and consequently report thereon. This compromises transparency, reliability and accuracy throughout the planning and reporting process and impedes the ability of national government to integrate information and to formulate coherent policies in response to the objectives of local government.

Therefore it is necessary for the Minister of Finance to specify national norms and standards for the recording and collection of local government budget, financial and non-financial information which will include in some instances the specification of information required for national policy coordination and reporting. This will result in an improved understanding of the role of local government in the broader national policy framework and linkage to other government functions.

The Municipal Budget and Reporting Regulations, 2009, provide for the formalisation of norms and standards in order to improve the credibility, sustainability, transparency, accuracy and reliability of municipal budgets. The prescribed budget formats provide the framework for the identification of the categories of municipal





financial and non-financial information required in developing municipal budgets. A key objective of the proposed Regulations is to enable the alignment of budget information with information captured in the course of the implementation of the budget.

Additional key objectives, which also illustrate the potential benefits, include-

- (a) improved data quality and credibility;
- (b) the achievement of a greater level of standardisation;
- (c) the development of uniform data sets critical for 'whole-of-government' reporting;
- (d) the standardisation and alignment of the 'local government accountability cycle' by the regulation of not only the budget and in-year reporting formats but also the annual report and annual financial statement formats;
- (e) the creation of the opportunity to standardise key business processes with the consequential introduction of further consistency in the management of municipal finances;
- (f) improved transparency, accountability and governance through uniform recording of transactions at posting account level detail;
- (g) enabling deeper data analysis and sector comparisons to improve financial performance; and
- (h) the standardisation of the account classification to facilitate mobility in financial skills within local government and between local government and other spheres as well as the private sector and to enhance the ability of local government to attract and retain skilled personnel.

These Regulations apply to all municipalities and municipal entities and indicate its applicability and relevance to each specific municipal environment while accommodating organisational uniqueness and structural differences. These Regulations also proposes the specification of minimum business process requirements for municipalities and municipal entities as well as the implementation of processes within an integrated transaction processing environment.



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# SEGMENTS OF STANDARD CHART OF ACCOUNTS FOR MUNICIPALITIES AND MUNICIPAL ENTITIES

## CHAPTER 1

### INTERPRETATION, OBJECT AND APPLICATION

#### Definitions

1. In these Regulations, a word or expression to which a meaning has been assigned in the Regulation has the same meaning as in the Act and unless the context indicates otherwise—

“Act” means the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003);

“board of directors”, in relation to a municipal entity, has the meaning assigned to it in section 1 of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000);

“business processes” means the set of activities taking place from the initiation of a process within a municipality or municipal entity to the completion thereof;

“classification framework” means the classification framework provided for in the standard chart of accounts;

“Director-General” means the Director-General of the National Treasury;

“general ledger” means the central depository of accounting data transferred from all sub-ledgers;

“minimum business process requirements” means the set of minimum components of all business processes determined in terms of regulation 6;

“minimum system requirements” means those specifications for an integrated software solution, incorporating an enterprise resource management system determined in terms of regulation 7;

“municipal entity” has the meaning assigned to it in section 1 of the Local Government: Municipal Systems Act, 2000;

“municipal council” has the meaning assigned to it in section 1 of the Local Government: Municipal Structures Act, 1998 (Act No. 117 of 1998);

“municipality” has the meaning assigned to it in section 1 of the Local Government: Municipal Systems Act, 2000;

“SCOA Committee” means the Technical Committee for the Standard Chart of Accounts for municipalities and municipal entities established by regulation 8; and





"standard chart of accounts" means a multi-dimensional classification framework providing the method and format for recording and classifying financial transaction information in the general ledger forming part of the books of account containing a standard list of all available accounts.

#### Object of these Regulations

2. The object of these Regulations is to provide for a national standard for the uniform recording and classification of municipal budget and financial information at a transaction level by prescribing a standard chart of accounts for municipalities and municipal entities which—

- (a) are aligned to the budget formats and accounting standards prescribed for municipalities and municipal entities and with the standard charts of accounts for national and provincial government; and
- (b) enable uniform information sets recorded in terms of national norms and standards across the whole of government for the purposes of national policy coordination and reporting, benchmarking and performance measurement in the local government sphere.

#### Application of these Regulations

3. These Regulations apply to all municipalities and municipal entities.

### CHAPTER 2

#### STANDARD CHART OF ACCOUNTS FOR MUNICIPALITIES AND MUNICIPAL ENTITIES

Segments and classification framework for the standard chart of accounts.

4.(1) The standard chart of accounts for a municipality or municipal entity must contain the segments as set out in the Schedule.

(2) The Minister must, by notice on the website of the National Treasury, determine the classification framework provided for in the standard chart of accounts.



**Implementation requirements**

5.(1) The standard chart of accounts of a municipality or municipal entity—

- (a) must contain the segments in the Schedule as required by regulation 4(1);
- (b) must accurately record all financial transactions and data in the applicable segment; and
- (c) may not contain data which is mapped or extrapolated or which otherwise does not reflect transactions recorded or measured by the municipality or municipal entity.

(2) The financial and business applications or systems used by a municipality or municipal entity must—

- (a) provide for the hosting of the general ledger structured in accordance with the classification framework determined in terms of regulation 4(2);
- (b) be capable of accommodating and operating the standard chart of accounts;
- (c) provide a portal allowing for free access, for information purposes, to the general ledger of the municipality or municipal entity, by any person authorised by the Director-General or the Accounting officer of the municipality.

(3) Each municipality and municipal entity must have, or have access to, computer hardware with sufficient capacity to run the software which complies with the requirements in sub-regulation (2).

**CHAPTER 3****MINIMUM BUSINESS PROCESS AND SYSTEM REQUIREMENTS****Minimum business process requirements**

6.(1) The Minister may, by notice in the *Gazette*, determine minimum business process requirements for municipalities and municipal entities to enable implementation of regulations 4 and 5.

(2) Each municipality and municipal entity must implement the minimum business process requirements by the date determined in the notice referred to in sub-regulation (1).



**Minimum system requirements**

7.(1) The Minister may, by notice in the *Gazette*, determine the minimum system requirements for municipalities and municipal entities to enable implementation of regulations 4 and 5.

(2) Each municipality and municipal entity must implement the minimum system requirements by the date determined in the notice referred to in sub-regulation (1).

**CHAPTER 4****TECHNICAL COMMITTEE FOR STANDARD CHART OF ACCOUNTS****Establishment of Technical Committee for Standard Chart of Accounts**

8. A committee known as the Technical Committee for the Standard Chart of Accounts is hereby established as a structure of the National Treasury.

**Composition of SCOA Committee**

9.(1) The SCOA Committee must consist of—

- (a) a chairperson;
- (b) a deputy chairperson;
- (c) five other members, each representing the functional areas of public finance, intergovernmental relations, accounting, budget office and supply chain management; and
- (d) such further members as the Director-General considers necessary;

(2) The Director-General must designate employees of the National Treasury as members of the SCOA Committee in the respective capacities for a term of three years.

(3) A member referred to in sub-regulation (1)(c) or (d) may nominate an alternate to act in that member's stead if unavailable.

(4) The deputy chairperson of the SCOA Committee must act in the place of the chairperson of the Committee if unavailable.



(5) The Director General must take all reasonable steps to ensure that the SCOA Committee is provided with the technical, administrative, financial and logistical resources to enable it to fulfil its function and must determine its procedures.

#### Functions of SCOA Committee

##### 10. The SCOA Committee—

- (a) must review the classification framework and, where required, make recommendations to the Minister on amendments to that framework;
- (b) must develop guidelines and training material that are aligned to the classification framework determined from time to time in terms of regulation 4(2);
- (c) must review the implementation of the standard chart of accounts in government as a whole to ensure the alignment of the standard chart of accounts provided for in these Regulations and the standard chart of accounts applicable in national and provincial government;
- (d) when required to align these Regulations with changes to other legislation applicable to local government, must make recommendations to the Minister on amendments to these Regulations;
- (e) must undertake such other functions relating to the implementation of these Regulations as the Minister may direct;
- (f) may make recommendations to the Director-General and the Minister on any matter referred to in paragraphs (b), (c) and (e); and
- (g) must undertake any functions necessarily ancillary to any matter referred to in paragraphs (a) to (f).

#### Meetings of SCOA Committee

11. The chairperson of the SCOA Technical Committee or the Director-General may, as required, convene meetings of the Committee, but the Committee must convene at least once a year.





## CHAPTER 5

## RESPONSIBILITIES OF MUNICIPAL FUNCTIONARIES

## Responsibilities of municipal councils and boards of directors

12. The municipal council of a municipality and the board of directors of a municipal entity must take the necessary steps to ensure that these Regulations are implemented by the adoption of any resolutions, policies and budgetary provisions necessary for the implementation of these Regulations.

## Responsibilities of accounting officers

13. The accounting officer of a municipality or municipal entity must take all necessary steps to ensure that these Regulations are implemented by at least—

- (a) delegating the necessary powers and duties to the appropriate officials;
- (b) ensuring that the responsible officials have the necessary capacity by providing for training and ensuring that they attend training or workshops provided by the National Treasury;
- (c) ensuring that the financial and business applications of the municipality or municipal entity have the capacity to accommodate the implementation of these Regulations and that the required modifications or upgrades are implemented; and
- (d) submitting reports and recommendations to the municipal council or the board of directors, as the case may be, that provide for the adoption of any resolutions, policies and budgetary provisions necessary for the implementation of these Regulations.

## CHAPTER 6

## GENERAL

## Access by National Treasury

14.(1) All municipalities and municipal entities must ensure that—

- (a) the business and financial applications used by them incorporate a portal allowing for free access to their general ledgers for information purposes to any person authorised by the Director-General; and
- (b) such access is provided.



(2) The accounting officer of a municipality and a municipal entity must ensure that its system providers cooperate with the National Treasury to implement the necessary programme amendments to provide the standard of access required by the National Treasury.

(3) The National Treasury may use any of the information to which it has access in terms of this regulation for the purposes of—

- (a) preparing national accounts for the whole of government;
- (b) development of consolidated accounts for the local government sphere;
- (c) verifying the correctness of municipal financial and business information;
- (d) assessment of municipal financial performance and benchmarking; and
- (e) fulfilling any obligations in terms of legislation.

#### Postponement of implementation and exemption

15.(1) The Minister may, by notice in the Gazette on good cause shown by a municipality or municipal entity and after considering any recommendations of the SCOA Committee, exempt such municipality or municipal entity from the application of a provision of these Regulations, for the period and on the conditions determined in the notice.

(2) A postponement or exemption in terms of sub-regulation (1) may—

- (a) apply to—
  - (i) municipalities generally; or
  - (ii) municipal entities generally, or
- (b) be limited in its application to a particular—
  - (i) municipality;
  - (ii) category of municipalities, which may be defined either in relation to a type or budgetary size of municipality or in any other manner;
  - (iii) municipal entity; or



- (iv) a category of municipal entities, which may either in relation to a type or budgetary size of municipal entity or in any other manner.

**Short title and commencement**

16. These Regulations are called the Standard Chart of Accounts for Local Government Regulations, 2014, and take effect on 1 July 2017.



**SCHEDULE****SEGMENTS OF STANDARD CHART OF ACCOUNTS FOR MUNICIPALITIES  
AND MUNICIPAL ENTITIES**

The standard chart of accounts must consist of at least the following segments, each of which incorporates a classification within the general ledger to record transaction information identified by codes within fields within the database:

**Funding Segment**

1. This segment identifies the various sources of funding available to municipalities and municipal entities for financing expenditure relating to the operation of the municipality and provides for both capital and operational spending. The appropriate classification code of a transaction in this segment will be determined according to the source of funding against which a payment is allocated and the source of revenue against which income is received.

**Function Segment**

2. This segment provides for the classification of the transaction according to the function or service delivery objective and provides for the standardisation of functions and sub-functions across local government with due regard to specific service delivery activities and responsibilities of each individual municipality or municipal entity.

**Municipal Standard Classification Segment**

3. This segment provides for the organisational structure and functionality of an individual municipality, which is not prescribed, but must incorporate the structure and functionality as determined by that municipality.

**Project Segment**

4. This segment provides for the classification of capital and operating projects as provided for in the integrated development plan, as provided for in the Municipal Structures Act, 1998 (Act No. 117 of 1998), and funded in the budget and records information on spending as against the budget as well as the utilisation of funds provided for the project. The appropriate classification code of a transaction in this segment will be determined on the basis of whether it relates to a specific project and if so, the type of project.

**Regional Indicator Segment**

5. This segment identifies and assigns government expenditure to the lowest relevant geographical region as prescribed and the appropriate classification code will be determined according to the defined geographical area within which the





intended beneficiaries of the service or capital investment are located who are deriving the benefit from the transaction.

#### Item Segment

6. This segment provides for the classification of item detail in the presentation of the financial position, performance and cash flow of the municipality or municipal entity. The appropriate classification code will be determined according to the nature of the transaction either as revenue, expenditure, asset, liability or net asset.

#### Costing Segment

7. This segment provides for a classification structure for secondary cost elements and acts as a cost collector in determining inter alia total cost of a service or function, identification of productivity inefficiencies and tariff determination of municipal services. Classification codes are identified with reference to departmental charges, internal billing and activity based recoveries for purposes of recording specific activities and functions in terms of their unit costs and cost categories.



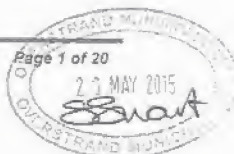


## Municipal Budget Circular for the 2015/16 MTREF

This circular provides further guidance to municipalities and municipal entities for the preparation of their 2015/16 Budgets and Medium Term Revenue and Expenditure Framework (MTREF). It must be read together with all previous MFMA Budget Circulars.

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## Key focus areas for the 2015/16 budget process

### The Medium Term Budget Policy Statement 2014

The MTBPS highlights that South Africa's economic performance has deteriorated over the past several years. Gross domestic product (GDP) growth of 1.4 per cent is estimated in 2014, down from 3.6 per cent in 2011. GDP growth is projected to improve over the medium term as infrastructure constraints ease, private investment recovers and exports grow. Economic growth is expected to rise gradually over the medium term, reaching 3 per cent by 2017.

Key priorities of government are to reshape South Africa's urban environment through integrated spatial planning, investment in dynamic city development, integrated housing and transport programmes, and support for business activity and job creation. The Medium Term Strategic Framework (MTSF) priorities for structural reform over the period ahead include:

- **Building the capacity of local government through the "back to basics" approach** which will focus on improving service delivery, accountability and financial management. Local government should be effective and efficient; and this will be measured by its ability to perform the basic mandate of service delivery.
- Reshaping South Africa's urban environment through **integrated spatial planning and an expansion of the municipal debt market**. Municipalities play a critical role in growing the economy through well-planned and well-managed urbanisation. In order to achieve this, large municipalities require massive investment to stimulate growth, maintain infrastructure and ensure that basic services are provided for growing populations. Over the next three years, the government will roll-out a new approach to local government infrastructure financing. Incentives will be introduced to encourage large urban municipalities to promote more compact, efficient and equitable cities. Planning will focus on developing mixed-use precincts that can help to catalyse economic activity, and on upgrading informal settlements.

Municipalities require capacity to be able to implement the MTSF's priorities for structural reform. This means that the state's capacity to plan, manage and maintain its programmes and infrastructure must improve. Government is providing the following support to enable cities to promote growth and urban spatial transformation:

- A project preparation facility which helps municipalities to build a robust pipeline of well-designed, catalytic projects for implementation;
- The infrastructure delivery management system is being expanded from provinces to large cities; and
- Technical assistance will support the review of borrowing strategies.

In addition, support will be provided to municipalities to improve revenue collection and the management of infrastructure financed from both own revenue and grants. National government will work with municipalities to expand their own contributions to local infrastructure investment, while reforms to the grant system will allow for more flexibility in the design of locally appropriate solutions; thereby facilitating more efficient use of available resources for social infrastructure. Greater integration between the capital investment plans of state-owned companies and city development strategies will also be encouraged.

Government will also work with private investors and development finance institutions to expand debt financing for municipal infrastructure. The Development Bank of Southern Africa (DBSA) is currently examining ways to encourage greater private investment in the municipal infrastructure market through infrastructure bonds, municipal bond underwriting, project



finance and various contracting models. These initiatives will aim to improve liquidity and extend maturities in the municipal bond market – and to encourage, rather than crowd out, private investment. The policy objectives will seek to reshape the urban landscape, through the renewal of investment in affordable housing and lenders will be encouraged to expand the debt-finance market for municipal infrastructure in support of infrastructure investment.

As mentioned above, *sustainable job creation* remains a national priority and municipalities must ensure that in drafting their 2015/16 budgets and MTREFs they continue to explore opportunities to mainstream labour intensive approaches to delivering services, and more particularly to participate fully in the Expanded Public Works Programme.

The economic growth plays a critical role in job creation; therefore greater private sector investment in the economy is encouraged. Municipalities must continue to undertake joint planning with their communities and respective business sectors that drive the local economy.

#### Local government conditional grants and additional allocations

The division of available funds to Local Government has increased to R99.2 billion or 9.1 per cent for 2015/16. This is expected to increase to R110.0 billion by 2017/18. The *Medium Term Budget Policy Statement 2014* indicates that over the 2015 MTEF period, transfers to local government total R313 billion, with 61.4 per cent transferred as unconditional allocations such as the equitable share and sharing of the general fuel levy. The remainder is allocated through conditional grants. As an interim measure municipalities MUST ensure that their tabled budgets reflect the conditional grant allocations set out in the 2015 Division of Revenue Bill.

Municipalities are advised to use the indicative numbers as set out in the 2014 Division of Revenue Act to compile their 2015/16 Medium-term Revenue and Expenditure budgets. In terms of the outer year of the 2015/16 municipal MTREF (2017/18 financial year), it is proposed that municipalities conservatively limit funding allocations to the indicative numbers as proposed in the 2014 Division of Revenue Act for 2016/17. **These numbers should then be updated once the 2015 Medium-term Expenditure Framework (MTEF) is tabled by the Minister of Finance in Parliament towards the end of February 2015.** The 2015 Medium-term Expenditure Framework will be published the day after the Minister's budget speech on National Treasury's website at: <http://www.treasury.gov.za/legislation/acts/2014/Default.aspx>

The Medium Term Budget Policy Statement 2014 highlighted that the country's weaker-than-expected economic performance and outlook pose new fiscal challenges. Lowering the expenditure ceiling is one of the measures implemented. Therefore decreases in indicative baselines will be allocated proportionately across national, provincial and local government according to their share of national revenue.

In the case of local government, reductions will only be made to conditional grants and not to the local government equitable share. Reductions will be spread across the grants and larger reductions will be applied to grants that have a history of underspending and non-infrastructure grants. This translates to a reduction in baseline allocations for local government conditional grants of R920.6 million in 2015/16 and R1.4 billion in 2016/17.

The *Municipal Human Settlements Capacity Grant* was introduced in 2014/15 to facilitate the development of capacity to manage human settlements programmes in Cape Town, Ekurhuleni, eThekweni, Johannesburg, Nelson Mandela Bay and Tshwane Metropolitan Municipalities. While the process of assigning the housing function is being reviewed, strengthening the capacity of these cities to manage the built environment remains a priority.



Allocations in terms of this grant will be reduced and the structure and conditions of the grant will be amended to reflect these changes. Details will be announced in the 2015/16 Budget.

A new grant is also proposed to fund the anticipated administrative costs of municipalities in KwaZulu-Natal and Gauteng that will be affected by mergers after the 2016 local government elections.

Additions are also proposed for the *Regional Bulk Infrastructure Grant* and *Municipal Water Infrastructure Grant*. These allocations are intended to allow government to accelerate the provision of clean water to households.

While the review of local government infrastructure grants will continue in 2015, two changes emerging from the review's recommendations so far are proposed for 2015/16:

- Rationalising four grants administered by the Department of Water and Sanitation. These grants, which have overlapping objectives, are the *Municipal Water Infrastructure Grant*, *Water Services Operating Subsidy Grant*, *Rural Households Infrastructure Grant* and *Regional Bulk Infrastructure Grant*; and
- Merging the *Public Transport Infrastructure Grant* and the *Public Transport Network Operations Grant* into a single grant that provides more flexibility to cities in choosing public transport solutions.

#### Changes in the 2014 Division of Revenue Amendment Bill

The Minister of Finance tabled the 2014 Division of Revenue Amendment Bill on 22 October 2014. The details of the changes to municipal allocations and the reasons for these changes are discussed in the explanatory memorandum to the Bill, available on the National Treasury's website at: <http://www.treasury.gov.za/documents/mtbps/2014/default.aspx>

The 2014 Division of Revenue Amendment Bill includes a rollover of R80.2 million on Municipal Infrastructure Grant for projects in nine municipalities where transfers were stopped in 2013/14. These municipalities are in the Eastern Cape, KwaZulu-Natal, Northern Cape, North West and Western Cape. An amount of R157 million will be transferred to municipalities through the Municipal Disaster Recovery Grant in response to requests for post disaster funding. This is to repair and replace infrastructure damaged as a result of declared disasters that occurred in 2013 and 2014. The changes will be gazetted in December 2014.

The explanatory memorandum to the 2014 Division of Revenue Amendment Bill also sets out technical corrections to the conditional grant frameworks for the Rural Households Infrastructure Grant and the Municipal Human Settlements Capacity Grant.

#### Strengthening procurement to obtain value for money and combating corruption

A large share of the national budget is spent to build infrastructure, and to procure goods and services. This expenditure contributes to production and jobs throughout the economy. Government must ensure that its procurement processes are prudent, deliver value for money and help to improve service delivery.

An objective of the Office of the Chief Procurement Officer that was established within the National Treasury in April 2013 is to minimise waste and corruption, and ensure that government derives maximum social and economic benefits from every Rand spent.

This centralised oversight of public procurement will also improve efforts to root out tender fraud. Over the next three years, the Office of the Chief Procurement Officer will build a foundation for more cost-effective procurement operations in the public sector. The range and

scope of nationally negotiated contracts will be expanded, a national price-referencing system will be introduced, and government will draw on private-sector expertise and best practice in procurement systems. The fight against corruption also depends on an active citizenry, which the National Development Plan stresses is a precondition for South Africa to achieve its ambitious social and economic objectives.

#### Local government budget and financial management reforms

##### *Regulation of a 'Standard Chart of Accounts' (SCOA) for local government*

The Minister of Finance promulgated the Municipal Regulations on the Standard Chart of Accounts (SCOA) on 22 April 2014. The Municipal Regulations on the Standard Chart of Accounts, Project Summary Document and Detailed Classification Framework of the 7 Segments (SCOA Version 5) can be accessed at:

<http://mfma.treasury.gov.za/RegulationsandGazettes/MunicipalRegulationsOnAStandardChartOfAccountsFinal/Pages/default.aspx>

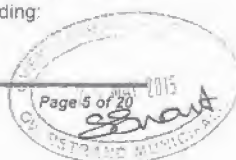
Similarly to that of national and provincial government, the municipal SCOA essentially provides for a uniform and standardised financial classification framework by which municipalities are required, at a transactional level, to record all expenditure, revenue, assets and liabilities. While the overall objective and benefits of the municipal SCOA vary, the introduction of the municipal SCOA across all 278 municipalities will undoubtedly improve the ability of municipalities and councils to take informed decisions and improve service delivery outcomes through improved evidence based financial management. Importantly, it will also facilitate the aggregation of budgets and financial performance to ensure 'whole of government' reporting.

In preparation for SCOA implementation by all 278 municipalities by 01 July 2017, the National Treasury has commissioned SCOA Project Phase 4. SCOA Project Phase 4 incorporates various activities including the piloting of the SCOA classification framework in selected municipalities (across all financial systems currently operational in municipalities) with the implementation of the 2015/16 budget (01 July 2015). In addition, as a lead-up to the SCOA implementation by 01 July 2017, there will be a host of change management initiatives including the introduction of a formal training programme.

The selection of pilot municipalities have been finalised and forms part of the SCOA Integrated Consultative Forum. This is a stakeholder engagement forum that was established to oversee and assist stakeholders, vendors and municipalities with the transition to the SCOA classification framework and to date three meetings have taken place. Pilot sites should from 01 July 2015 implement the 2015/16 MTREF in accordance with SCOA classification framework and report accordingly. **Non-piloting municipalities are advised to start comparing their chart of accounts to SCOA in preparation for the implementation in July 2017.**

While non-piloting municipalities do not formally partake in the SCOA ICF, there are a host of immediate activities that need to be undertaken by all municipalities concurrently to the piloting process in preparation for implementation in July 2017. These include, among others:

- Tabling the Municipal Regulations on Standard Chart of Accounts in the municipal council to bring about broader awareness;
- Studying the Regulation, SCOA Project Document, associated Segments and Frequently Asked Questions which can be accessed at the above mentioned website;
- Compilation of a high level project plan and associated activities, including:





- ✓ Identification of a project manager / coordinator within the municipality which should preferably be within the finance department at a senior manager level;
  - ✓ Matching the SCOA classification framework to the current chart of accounts (general ledger) currently operational in the municipality and the identification of any anomalies;
  - ✓ Matching the Function Segment of the SCOA classification framework to the current vote and cost centre structures and identification of any anomalies;
  - ✓ Incorporating all senior managers across the municipality into the project through internal awareness and information sharing;
  - ✓ Incorporating the project plan and associated milestones as part of a standing agenda item at the monthly senior manager team meetings; and
  - ✓ Tabling a progress report, including a risk matrix at the municipal council on a quarterly basis.
- Attendance of, among others, the provincial CFO Forums which will be used to provide feedback with the piloting process. In addition, there will be sessions scheduled, such as the recent provincial one day SCOA introductory sessions, which will provide further clarity as it relates to the SCOA classification framework. Attendance of these sessions by relevant officials, including the municipal SCOA project manager / coordinator, will be essential if the municipality is to proactively manage any hurdles to ensuring SCOA compliance.

The National Treasury is in the process of finalising a MFMA Circular that will specifically deal with guidance as it relates to the SCOA and SCOA Project Phase 4. The Circular will be released early in 2015 and all municipalities are urged to diligently study the Circular in preparation for full SCOA implementation.

In addition, all queries, clarity seeking questions, challenges and associated issues relevant to SCOA can be directed to the following email address: [lscoa@treasury.gov.za](mailto:lscoa@treasury.gov.za)

#### ***Financial applications (systems) and the impact of SCOA***

Municipalities are reminded that MFMA Circular No. 57 is still in effect and the guidance, processes and procedures provided in the Circular are still applicable. **Currently no system vendor (financial systems) could demonstrate SCOA compliance** and municipalities are therefore strongly advised not to proceed with any configuration or upgrades to their current core financial systems as this could potentially lead to fruitless and wasteful expenditure not to mention exposing the municipality to unnecessary risk as it relates to SCOA compliance. As indicated above, as part of SCOA Project Phase 4 all system vendors have been included in the piloting process and are currently undertaking reconfiguration and upgrades to their system functionality in support of the multidimensional chart as prescribed by the SCOA Regulations.

Only once the piloting process has been finalised will the National Treasury be in a position to issue a follow-up MFMA Circular to MFMA Circular No. 57. It is envisaged that the objectives of the piloting process will be finalised towards the end of the first quarter of the 2015/16 financial year subsequent to which the follow-up MFMA Circular will be issued.

Notwithstanding the abovementioned facts, municipalities continue to replace their current financial applications against the guidance supplied in MFMA Circular No. 57. While it is acknowledged that in some cases municipalities feel that limitations associated with their current financial system functionality is impeding overall performance improvements, municipalities are advised to proceed with the utmost caution. Municipalities should follow the procedures and processes as outlined in MFMA Circular No. 57 and attempt to keep any decisions relating to changing financial systems in abeyance until the finalisation of the piloting process. In the interim, the National Treasury is of the opinion that each case should be

managed based on the unique circumstances and challenges experienced by each municipality.

Furthermore, municipalities are advised that in many cases the implementation of the SCOA classification framework could be considered a reimplementation of a financial system as it relates to take on balances of previous financial years and setting up of a new general ledger. Consequently the opportune time to change financial applications would in most cases be with the implementation of the SCOA classification framework and will undoubtedly be the most cost efficient approach. Further guidance in this regard will be provided in the MFMA Circular that will be issued in early in 2015.

### Headline inflation forecasts

Municipalities must take the following inflation forecasts into consideration when preparing their 2015/16 budgets and MTREF. This information will be updated in a further Budget Circular to be issued after the tabling of the National Budget.

Fiscal year	2014	2015	2016	2017	2018
	Actual	Estimate	Forecast		
CPI Inflation	5.6%	6.2%	5.8%	5.5%	5.3%

Source: Medium Term Budget Policy Statement 2014

### Revising rates, tariffs and other charges

#### Operating Revenue

Municipal revenues and cash flows are expected to remain under pressure in 2015/16 due to the state of the economy; therefore municipalities should adopt a conservative approach when projecting their expected revenues and cash receipts. Municipalities should also pay particular attention to managing all revenue and cash streams effectively, by paying particular attention to their revenue management processes and procedures.

Municipalities are therefore required to realistically provide for revenue as part of the statement of financial performance, cash flow and capital programme.

Another challenge identified was that municipalities are not able to set cost-reflective tariffs as advised in previous circulars because the cost drivers are not known. Municipalities are advised to determine the costs per service in determining tariffs. The use of tariff models will not yield positive results in municipalities that do not know their cost drivers as would any financial model based on incorrect information.

When municipalities and municipal entities revise their rates, tariffs and other charges for the 2015/16 budgets and MTREFs, they need to take into account the primary and secondary costs of services provided, local economic conditions and affordability of services to ensure financial sustainability.

National Treasury also continues to encourage municipalities to keep increases in rates, tariffs and other charges at levels that reflect an appropriate balance between the interests of poor households, other customers and ensuring the financial sustainability of the municipality. For this reason municipalities **must justify in their budget documentation all increases in excess of the 6.0 per cent** upper boundary of the South African Reserve Bank's inflation target in the budget narratives.





### Management accounting and tariff setting

A costing guideline will be issued to respond to the demand by local government practitioners for guidance and tools in the costing of services rendered to consumers. The guideline is informed by the outcome of a pilot study that was undertaken. It addresses the inability to produce consistent data by municipalities on the cost of rendering a trading service.

This process will assist practitioners to improve their understanding of the principles and techniques of cost allocation. The adopted methodology is based on a consistent approach across municipalities, functions and projects, and so allow for cost comparisons and benchmarking. In addition, the information will be critical for tariff setting not only across main trading services but also in ensuring transparency in revenue generated across consumer categories. The process will also assist municipalities to better understand their costs and the factors that have the greatest influence on these costs (i.e. the cost drivers).

The rationale and concepts explained in this guideline envisage the establishment of a shared understanding among the various roleplayers involved.

### Interpretation of section 43 of the MFMA

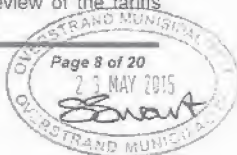
The municipal electricity tariff increase is regulated in terms of the Municipal Finance Management Act (MFMA) and the Electricity Regulation Act (ERA). ERA empowers NERSA to determine electricity tariffs to be charged by municipalities on an annual basis. The MFMA prescribes the timelines within which NERSA must finalise the process of determining the municipal tariff for a financial year.

#### *Section 43 of the MFMA deals with the applicability of tax and tariff capping on municipalities*

Section 43 of the MFMA requires an organ of state (NERSA) to make a determination of the municipal tariff increase on or before 15 March in a year for the tariff to be effective in 1 July of that year. If the determination is done after 15 March in a year, such determination will take effect 1 July in the next year. For example, if NERSA advises a municipality of its tariff determination by 15 March 2015, the tariff determination by NERSA with respect to the municipal electricity tariffs will be effective from 1 July 2015 but if NERSA fails to inform a municipality of its determination by 15 March 2015, the tariff determination by NERSA will only be effective from 1 July 2016. This implies that municipalities must submit their tariff applications before 15 March to enable NERSA to comply with the stipulated deadline (15 March).

Municipalities are also required in terms of section 16(2) of the MFMA to table the municipal budget in council no later than 31 March. The annual budget must be accompanied by amongst others draft resolution for imposing any municipal tax and setting any municipal tariffs as may be required for the budget year. The tabled municipal budget must be published for consultation with their local community and their views must be considered before the municipal council approves the budget.

With respect to electricity tariffs, NERSA determines the maximum tariffs that should be imposed by each municipality and they can be adjusted downwards depending on the circumstances of each municipality and resolution taken by the municipal council. A municipality may not charge a customer a higher tariff than that approved by NERSA. Therefore the determination made by NERSA should be used as a basis for consultation with local community and may be adjusted downward depending on the outcomes of the consultations. In cases where the outcomes of the consultations necessitate upward adjustment of the tariffs, a municipality should apply to NERSA for the review of the tariffs.



through an appeal process which is provided for in the Electricity Regulation Act. This should also be done in time to ensure that the processes are finalised before the approval of budget by municipal council.

#### **NERSA's process to approve electricity tariffs**

Municipalities will submit tariff applications from December 2014 aligned with the requirements of section 43 of the MFMA and subsequently NERSA will endeavour to finalise and complete all municipal tariff applications by 15 March 2015.

NERSA held workshops and one-on-one interactions with municipalities per province in order to assist municipalities with the completion of the D-forms. This process ran parallel with the submission of the D-forms. Municipalities are urged to ensure that correct and accurate information is submitted timeously to NERSA in order to ensure that proper analysis is done, and approval of tariff applications is achieved timeously.

In this regard municipalities are reminded to submit all outstanding D-forms to NERSA as a matter of urgency as the deadline for submission was 31 October 2014. NERSA will not be in a position to evaluate municipal tariff applications in the absence of complete D-forms. It is important that municipalities and NERSA work together to ensure that the process of approving electricity tariffs are finalised before 30 June 2015.

#### **Eskom bulk tariff increases**

Municipalities are advised to structure their 2015/16 electricity tariffs based on the **12.69 per cent** guideline and provide for a **14.24 per cent** increase in the cost of bulk purchases for the tabled 2015/16 budgets and MTREF. Any changes to these guidelines will be communicated to municipalities in a further Budget Circular for the 2015/16 financial year to be issued shortly after the tabling of the National Budget.

National Treasury supports the use of the following formula, proposed by NERSA, for calculating municipal electricity tariff increases:

$$MG = (B \times BPI) + (S \times SI) + (R \times RI) + (C \times CCI) + (OC \times OCI)$$

Where:

MG = % Municipal Guideline Increase  
 B = % Bulk purchases  
 BPI = % Bulk purchase increase  
 S = % Salaries  
 SI = % Salaries increase  
 R = % Repairs  
 RI = % Repairs increase  
 C = % Capital charges  
 CCI = % Capital charges increase  
 OC = % Other costs  
 OCI = % Other costs increase

All cost shares and increases must relate to the electricity function of the municipality

**The formula for calculating the guideline:**

$$\begin{aligned} MG &= (B \times BPI) + (S \times SI) + (R \times RI) + (C \times CCI) + (OC \times OCI) \\ &= (73 \times 14.24) + (10 \times 7.3) + (6 \times 6.3) + (4 \times 6.3) + (7 \times 6.3) \\ &= 10.40 + 0.73 + 0.38 + 0.25 + 0.54 \\ &= 12.20\% \end{aligned}$$



Municipalities are urged to examine the cost structure of their electricity undertakings and apply to NERSA for electricity tariff increases that are cost reflective and ensure continued financial sustainability.

Where a municipality's evaluation of its cost structure results in a lower or higher tariff increase to that proposed by NERSA, the municipality must structure its tariffs accordingly and ensure it provides the necessary motivation and information in its tariff application to NERSA. Municipalities must refer to NERSA's 'Consultation paper for municipal tariff guideline benchmarks for 2015/16 financial year' for requirements on approving tariffs above the guideline, which can be accessed at [www.nersa.org.za](http://www.nersa.org.za).

#### **Water and sanitation tariffs must be cost-reflective**

If a municipality's water and sanitation tariffs are not fully cost reflective, the municipality should develop a pricing strategy to phase-in the necessary tariff increases in a manner that spreads the impact on consumers over a period of time. *As per the guidance in various previous Budget Circulars, municipalities were expected to apply cost reflective tariffs in the 2014/15 MTREF for both water and sanitation.* Should this not be the case, municipalities will be required to clearly articulate the reasons and remedial actions to rectify this position in their budget document.

To mitigate the need for water tariff increases, municipalities must put in place an appropriate strategy to limit water losses to acceptable levels. In this regard municipalities must ensure that water used by its own operations is charged to the relevant service, and not simply attributed to water losses.

#### **Funding choices and management issues**

##### **Employee related costs**

The *Salary and Wage Collective Agreement* for the period 01 July 2012 to 31 June 2015 has come to an end. In the absence of other information from the South African Local Government Bargaining Council, municipalities are advised to budget for a 5.8 per cent cost-of-living increase adjustment to be implemented with effect from 01 July 2015 (in line with the increase proposed in the 2014 MTBPS). Municipalities must further use the inflation forecast to project increases in the outer years.

##### **General –Expenditure (Cost-containment measures and non-priority spending)**

Building on cost containment guidelines approved by Cabinet in October 2013, government at all levels will need to identify opportunities to increase efficiency and reduce waste. At a national level, the 2015 budget will pay particular attention to reducing line items that are not critical to service delivery to reinforce cost containment. Municipalities are still urged to implement the cost containment measures on six focus areas namely, consultancy fees, no credit cards, travel and related costs, advertising, catering, events costs and accommodation.

Related to cost-containment measures is the elimination of non-priority spending. The National Treasury has continuously through circulars provided advice to municipalities to eliminate non-priority spending. It was noted that there are municipalities that continue to excessively sponsor music festivals and arts festivals. With the implementation of cost-containment measures, municipalities must control unnecessary spending on nice-to-have items and non-essential activities. Municipalities are urged to refer to MFMA Circular 70 on examples of non-priority expenditure that must be eliminated.

### The use of consultants

The National Treasury (Office of the Chief Procurement Officer) has observed that many municipalities make use of consultants and other service providers in the course of daily operations. Owing to the fact that there are no standardised tariffs and rates currently regulated as it relates to professional service providers and consultants, many municipalities are charged exorbitant fees for such services.

The response received from municipalities on the VAT reconciliation questionnaire indicates that most municipalities use consultants to review and submit these returns to the South African Revenue Services (SARS). Municipalities are advised to refrain from the use of consultants and other service providers in completing or reviewing their VAT returns. It is the responsibility of the Chief Financial Officer to review the VAT returns.

### Budgeting for unfunded/ underfunded mandates

In previous budget years, it was noted that a number of municipalities are budgeting for unfunded/underfunded mandates. The South African Cities Network (SACN, 2007:78) defines an unfunded/underfunded mandate as when municipalities perform the functions of other spheres of government and bear significant costs out of their own revenue sources. These unfunded/underfunded mandates pose an institutional and financial risk to the municipality as substantial amounts of own funding is being allocated to non-core functions at the expense of basic service delivery.

One of the main objectives of local government is to ensure the provision of basic services to communities. Section 153 of the Constitution requires that budgeting processes must prioritise the basic needs of the community. Municipalities must therefore prioritise the provision of basic services such as electricity, water, sanitation and refuse removal in their MTREF budgets. Municipality may only budget for non-core functions such as crèches, sports fields, libraries, museums, health services, etc. if:

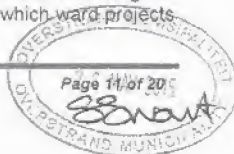
- The function is listed in Schedule 4B and 5B of the Constitution;
- The function is assigned to municipality in terms of national and provincial legislation;
- The municipality has prioritised the provision of basic services; and
- It does not jeopardise the financial viability of the municipality.

Municipalities are urged to sign service level agreements and recover costs where unfunded/underfunded mandates are performed on behalf of other spheres of government. However it will not constitute an unfunded / underfunded mandate if the municipality provides services beyond what is stipulated in the service level agreement.

### Budget management issues dealt with in previous MFMA Circulars

Municipalities are reminded to refer to MFMA Circulars 48, 51, 54, 55, 66, 67 and 70 with regards to the following issues:

1. Mayor's discretionary funds and similar discretionary budget allocation – National Treasury regards allocations that are not designated for a specific purpose to be bad practice and discourage them (refer to MFMA Circular 51).
2. Unallocated ward allocations – National Treasury does not regard this to be a good practice, because it means that the tabled budget does not reflect which ward projects





- are planned for purposes of public consultation and council approval (refer to MFMA Circular 51).
3. New office buildings – Municipalities are required to send detailed information to National Treasury if they are contemplating building new main office buildings (refer to MFMA Circular 51).
  4. Virement policies of municipalities – Municipalities are reminded of the principles that must be incorporated into municipal virements policies (refer to MFMA Circular 51).
  5. Providing clean water and managing waste water – Municipalities were reminded to include a section on 'Drinking water quality and waste water management' in their budget document (refer to MFMA Circular 54).
  6. Renewal and repairs and maintenance of existing assets – Allocations to repairs and maintenance, and the renewal of existing infrastructure must be prioritised. Municipalities must provide detailed motivations in their budget documentation if allocations do not meet the required benchmarks set out in MFMA Circular 55 and 66.
  7. Credit cards and debit cards linked to municipal bank accounts are not permitted – On 02 August 2011 National Treasury issued a directive to all banks informing them that as from 01 September 2011 they are not allowed to issue credit cards or debit cards linked to municipal bank accounts (refer to MFMA Circular 55).
  8. Water and sanitation tariffs must be cost reflective - refer to MFMA Circular 66.
  9. Solid waste tariffs – refer to MFMA Circular 70.
  10. Variances between 4<sup>th</sup> Quarter section 71 results and annual financial statements – refer to Circular 67.
  11. Additional In-Year reporting requirements – refer to MFMA Circular 67.
  12. Appropriation statement (reconciliation: budget and in-year performance)- reference is made to circular 67. It came to the attention of National Treasury that a number of municipalities did not include the appropriation statement as part of their 2012/13 or 2013/14 annual financial statement. In terms of the Standards of GRAP 24 on the Presentation of Budget Information in Financial Statements, municipalities are required to present their original and adjusted budgets against actual outcome in the annual financial statements. This is considered an appropriation statement and the comparison between the budget and actual performance should be a mirror image of each other as it relates to the classification and grouping of revenue and expenditure as has been the case in a national and provincial context. This statement is subject to auditing and accordingly supporting documentation would be required to substantiate the compilation of this statement.
  13. Eliminating non-priority spending – The 2013 MTBPS emphasised the need for government to step-up its efforts to combat waste, inefficiency and corruption (refer to MFMA circular 70).
  14. Council oversight over the budget process – refer to MFMA Circular 70.

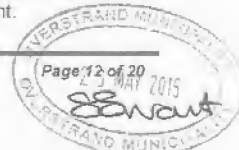
### Conditional Grant transfers to municipalities

As indicated above, National Treasury will issue a further Budget Circular for the 2015/16 financial year shortly after the tabling of the National Budget. This Circular will deal with any new conditional grant issues and processes related to the management of conditional grants.

### Conditional grant issues dealt with in previous MFMA Circulars

Municipalities are reminded to refer to MFMA Circulars 48, 51, 54, 55 and 67 with regards to the following issues:

1. Accounting treatment of conditional grants: Municipalities are reminded that in accordance with accrual accounting principles, conditional grants should only be treated as 'transfers recognized' revenue when the grant revenue has been 'earned' by incurring expenditure in accordance with the conditions of the grant.



2. VAT on conditional grants: SARS has issued a specific guide to assist municipalities meeting their VAT obligations – *VAT 419 Guide for Municipalities*. To assist municipalities accessing this guide it has been placed on the National Treasury website at: <http://mfma.treasury.gov.za/Guidelines/Pages/default.aspx>
3. Interest received and reclaimed VAT in respect of conditional grants: Municipalities are reminded that in MFMA Circular 48, National Treasury determined that:
  - Interest received on conditional grant funds must be treated as 'own revenue' and its use by the municipality is not subject to any special conditions; and
  - 'Reclaimed VAT' in respect of conditional grant expenditures must be treated as 'own revenue' and its use by the municipality is not subject to any special conditions.
4. Appropriation of conditional grants that are rolled over – As soon as a municipality receives written approval from National Treasury that its unspent conditional grants have been rolled-over it may proceed to spend such funds (refer to MFMA Circular 51 for other arrangements in this regard).
5. Pledging of conditional grant transfers – the 2015 Division of Revenue Bill contained a provision that allows municipalities to pledge their conditional grants. The end date for the pledges is extended to 2017/18. The process of application as set out in MFMA Circular 51 remains unchanged.
6. Separate reporting for conditional grant roll-overs – National Treasury has put in place a separate template for municipalities to report on the spending of conditional grant roll-overs. Municipalities are reminded that conditional grant funds can only be rolled-over once, so if they remain unspent in the year in which they were rolled-over they MUST revert to the National Revenue Fund.
7. Payment schedule – National Treasury has instituted an automated payment system of transfers to municipalities in order to ensure appropriate safety checks are put in place. Only the primary banking details verified by National Treasury will be used for effecting transfers.
8. Conditional grant transfers/payments, the responsibilities of transferring and receiving authorities and the criteria for the rollover of conditional grants – It is important that the transfers made to municipalities' are transparent, and properly captured in the municipalities' budgets. MFMA Circular no: 67 in this regard refers. The criterion for the rollover of conditional grants is stipulated in MFMA Circular no: 51.

## The Municipal Budget and Reporting Regulations

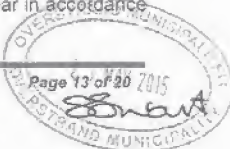
National Treasury has released Version 2.7 of Schedule A1 (the Excel Formats). This version incorporates minor changes (see Annexure A). Therefore ALL municipalities MUST use this version for the preparation of their 2015/16 Budget and MTREF.

Download Version 2.7 of Schedule A1 by clicking [HERE](#)

The Municipal Budget and Reporting Regulations are designed to achieve a range of objectives, including improving the local government sphere's ability to deliver services by facilitating improved financial sustainability and better medium term planning. The regulations, formats and associated guides etc. are available on National Treasury's website at:

<http://mfma.treasury.gov.za/RegulationsandGazettes/Pages/default.aspx>

Since 01 July 2009, all municipalities and municipal entities must prepare their annual budgets, adjustments budgets and in-year reports for the 2015/16 financial year in accordance





- The formats set out in Schedules A, B and C; and
- The relevant attachments to each of the Schedules (the Excel Formats).

- The municipality will be required to resubmit their documentation in the regulated format by a date determined by the National Treasury;
- The municipality's non-compliance with the required formats will be reported to the Auditor-General; and
- A list of municipalities that fail to comply with the required formats will be tabled in Parliament and the provincial legislatures.

If you require advice with the compilation of your budgets, the budget documents or Schedule A1 please direct your enquiries as follows:

	Responsible NT officials	Tel. No.	Email
Eastern Cape	Templeton Phogole Matjati Mashoeshoe	012-315 5044 012-315 6567	<a href="mailto:Templeton.Phogole@treasury.gov.za">Templeton.Phogole@treasury.gov.za</a> <a href="mailto:Matjati.Mashoeshoe@treasury.gov.za">Matjati.Mashoeshoe@treasury.gov.za</a>
Free State	Vincent Malepa Katlego Mabiletsa	012-315 5539 012-395 6742	<a href="mailto:Vincent.Malepa@treasury.gov.za">Vincent.Malepa@treasury.gov.za</a> <a href="mailto:Katlego.Mabiletsa@treasury.gov.za">Katlego.Mabiletsa@treasury.gov.za</a>
Gauteng	Kgomotso Baloyi Nomxolisi Mawulana	012-315 5866 012-315 5460	<a href="mailto:Kgomotso.Baloyi@treasury.gov.za">Kgomotso.Baloyi@treasury.gov.za</a> <a href="mailto:Nomxolisi.Mawulana@treasury.gov.za">Nomxolisi.Mawulana@treasury.gov.za</a>
KwaZulu-Natal	Bernard Mokgabodi Johan Botha Walter Munyai	012-315 5936 012-315 5171 012-395 6793	<a href="mailto:Bernard.Mokgabodi@treasury.gov.za">Bernard.Mokgabodi@treasury.gov.za</a> <a href="mailto:Johan.Botha@treasury.gov.za">Johan.Botha@treasury.gov.za</a> <a href="mailto:Walter.Munyai@treasury.gov.za">Walter.Munyai@treasury.gov.za</a>
Limpopo	Una Rautenbach Sifiso Mabaso	012-315 5700 012-315 5952	<a href="mailto:Una.Rautenbach@treasury.gov.za">Una.Rautenbach@treasury.gov.za</a> <a href="mailto:Sifiso.Mabaso@treasury.gov.za">Sifiso.Mabaso@treasury.gov.za</a>
Mpumalanga	Jordan Maja Anthony Moseki	012-315 5663 012-315 5174	<a href="mailto:Jordan.Maja@treasury.gov.za">Jordan.Maja@treasury.gov.za</a> <a href="mailto:Anthony.Moseki@treasury.gov.za">Anthony.Moseki@treasury.gov.za</a>
Northern Cape	Willem Voigt Mandla Gilimani	012-315 5830 012-315 5807	<a href="mailto:Willem.Voigt@treasury.gov.za">Willem.Voigt@treasury.gov.za</a> <a href="mailto:Mandla.Gilimani@treasury.gov.za">Mandla.Gilimani@treasury.gov.za</a>
North West	Sadash Ramjathan Makgabo Mabotja	012-315 5101 012-315 5156	<a href="mailto:Sadash.Ramjathan@treasury.gov.za">Sadash.Ramjathan@treasury.gov.za</a> <a href="mailto:Makgabo.Mabotja@treasury.gov.za">Makgabo.Mabotja@treasury.gov.za</a>
Western Cape	Vuyo Mbunge Kevin Bell Mlungisi Mthembu	012-315 5661 012-315 5725 012-395 6554	<a href="mailto:Vuyo.Mbunge@treasury.gov.za">Vuyo.Mbunge@treasury.gov.za</a> <a href="mailto:Kevin.Bell@treasury.gov.za">Kevin.Bell@treasury.gov.za</a> <a href="mailto:Mlungisi.Mthembu@treasury.gov.za">Mlungisi.Mthembu@treasury.gov.za</a>
Technical issues with Excel formats	Elsabe Rossouw	012-315 5534	<a href="mailto:lgdataqueries@treasury.gov.za">lgdataqueries@treasury.gov.za</a>

It is the sixth year of the implementation of the Municipal Budget and Reporting Regulations and it is acknowledged that there is improvement in the number of municipalities complying with the required formats. However the quality of data contained in the A schedules and

supporting table is still a challenge. Municipalities should consider the following when compiling the 2015/16 MTREF budgets:

***Budgeting for revenue on Table A2***

Municipalities must include capital transfers and contributions in total operating revenue budgeted for on table A2. The total revenue will reconcile to operating revenue plus capital transfers and contributions as on table A4.

***Budgeting for Asset Register value on Table A9***

The total asset register summary – PPE (WDV) must include the capital budget expenditure for the budget year. e.g. 2015/16 total asset register summary should include the capital expenditure for 2015/16. Municipalities must ensure that the capital expenditure aligns to Table a5.

***Completion of service delivery information on Table A10***

It was observed that the completion of table A10 is still a challenge to most municipalities. During the assessment of the 2014/15 MTREF, it was observed that the table lacked credibility and municipalities were requested to make amendments and resubmit.

Municipalities must ensure that the table is correctly completed and accurate to depict their actual position. The information on the cost of providing free basic services and the revenue cost of providing services must be completed. In completing table A10 care must be given to the required unit of measure i.e. kilolitres, kilowatt-hour etc.

***Budgeting for revenue foregone and free basic services to indigents***

Regardless of the guidance provided on MFMA Circular 51 in relation to budgeting for revenue foregone, it was evident during the 2014/15 budget assessment process that municipalities are struggling to distinguish between revenue foregone and transfers and grants expenditure on table A4.

The key concept in determining the difference between revenue foregone and grants expenditure, is that a rates rebate that is 'generally available to all' is in practice an adjustment to the rates tariff. Therefore, the revenue was never there to be collected (the revenue was foregone), and should therefore not be considered to be revenue in the first instance. This is why it is deducted on Table SA1 - and the net amount is reflected on Table A4.

The provision of free basic services to the indigents must be budgeted for as non-cash flow grant expenditure on Table A4 supported by Table SA21. Since the municipality will not collect any revenue from indigents and free basic services to indigents are funded through the Equitable Share, this constitutes grant expenditure.

***Tabling funded budgets***

In MFMA Circular no. 72 it was highlighted that municipalities must budget for a surplus operating budget. National Treasury received enquiries from municipalities highlighting that the circular is in contradiction with MFMA Circular no. 55 which referred to budgeting for operating deficit. It should be noted that MFMA Circular no. 55 encouraged municipalities to budget for a moderate surplus on its Financial Performance Budget so as to be able to contribute to the funding of the Capital Budget. When the circular was issued, it was highlighted that there may be temporary circumstances that make this difficult; for instance the



implementation of GRAP 17, which may result in increased 'depreciation and asset impairment' that is not fully accommodated in the municipality's tariffs and as a result drives the operating budget into deficit.

MFMA Circular no. 59 was accordingly issued during March 2012, whereby table SA1 was amended to include under the detail of 'depreciation and asset impairment' 'depreciation resulting from the revaluation of PPE'. The effect is that the depreciation resulting from the revaluation of PPE will be deducted from the total depreciation on PPE, resulting in only the depreciation on the cost price being reflected in the statement of financial performance as an expense. Therefore, if the municipality's operating budget shows a deficit it is indicative that there are financial imbalances that need to be addressed. These problems may be related to a failure to collect revenues, tariffs that are too low or expenditures that are too high. The municipality needs to put in place appropriate strategies to address the problems causing a deficit, and explain these measures in its budget document.

It is critical that municipalities adopt and implement funded budgets as per Section 18 of the MFMA. Tables A7 and A8 which if completed correctly by the municipality, it will provide most of the information required to evaluate whether a municipality's operating and capital budgets are funded or not:

- *Table A7 Budgeted Cash Flows* shows how the municipality's operations are expected to impact on its cash position. If a municipality's cash position at year end is negative it is a strong indication that the overall budget is not funded; and
- *Table A8 Cash-backed reserves / accumulated surplus reconciliation* shows whether the municipality has sufficient cash and investments available to finance commitments and short term provisions and reserves. If the net results reflect a shortfall, this is an indication that the budget is not funded.

#### MBRR issues dealt with in previous MFMA Circulars

Municipalities are reminded to refer to MFMA Circulars 48, 51, 54, 55 with regards to the following issues:

1. *Budgeting for revenue and 'revenue foregone'* – The 'realistically anticipated revenues to be collected' that must be reflected on the Budgeted Statement of Financial Performance (Tables A2, A3 and A4) must exclude 'revenue foregone'. The definition of 'revenue foregone' and how it is distinguished from 'transfers and grants' is explained in MFMA Circular 51.
2. *Preparing and amending budget related policies* – Information on all budget related policies and any amendments to such policies must be included in the municipality's annual budget document (refer to MFMA Circular 54).
3. *2013/14 MTREF Funding Compliance Assessment* – All municipalities were required to perform the funding compliance assessment outlined in *MFMA Funding Compliance Guideline* and to include the relevant information outlined in MFMA Circular 55 in their 2015/16 budgets (refer to MFMA Circular 55).

#### Budget process and submissions for the 2015/16 MTREF

Over the past number of years there have been significant improvements in municipal budget processes. Municipalities are encouraged to continue their efforts to improve their budget processes based on the guidance provided in previous and current MFMA Circulars.

Once more, municipalities are reminded that the IDP review process and the budget process should be combined into a single process.

#### Submitting budget documentation and schedules for 2015/16 MTREF

To facilitate oversight of compliance with the Municipal Budget and Reporting Regulations, accounting officers are reminded that:

- Section 22(b)(i) of the MFMA requires that *immediately* after an annual budget is tabled in a municipal council it must be submitted to the National Treasury and the relevant provincial treasury in both printed and electronic formats. The deadline for such submissions is Friday, 10 April 2015.
- Section 24(3) of the MFMA, read together with regulation 20(1), requires that the approved annual budget must be submitted *within ten working days* after the council has approved the annual budget. So if the council only approves the annual budget on 30 June 2015, the date for such a submission is Tuesday, 14 July 2015, otherwise an earlier date applies.

The municipal manager must submit:

- the budget documentation as set out in Schedule A of the Municipal Budget and Reporting Regulations, including the main Tables (A1 – A10) and all the supporting tables (SA1 – SA37) in both printed and electronic format;
- the draft service delivery and budget implementation plan in both printed and electronic format;
- in the case of approved budgets, the council resolution;
- Signed Quality Certificate as prescribed in the Municipal Budget and Reporting Regulations; and

Municipalities are required to send electronic versions of documents and the A1 schedule to [lgdocuments@treasury.gov.za](mailto:lgdocuments@treasury.gov.za).

If the budget documents are too large to be sent via email (exceeds 4MB) please submit to [lgbigfiles@gmail.com](mailto:lgbigfiles@gmail.com) and inform the National Treasury official responsible for your province that the budget was submitted to this address to ensure that National Treasury is aware of your submission. Any problems experienced in this regard can be addressed with Elsabe Rossouw (email: [Elsabe.Rossouw@treasury.gov.za](mailto:Elsabe.Rossouw@treasury.gov.za)).

Municipalities are required to send printed submissions of their budget documents and council resolution to:

#### For couriered documents

Ms Linda Kruger  
National Treasury  
40 Church Square  
Pretoria, 0002

#### For posted documents

Ms Linda Kruger  
National Treasury  
Private Bag X115  
Pretoria, 0001

After receiving tabled budgets, National Treasury will complete a compliance checklist. This checklist will indicate the level of compliance to the Municipal Budget and Reporting Regulations. A copy of the checklist will be sent to the municipality in order to facilitate



improvements in the quality of tabled and approved budgets. Please review the municipality's previous year performance and ensure that the gaps are addressed.

In addition to the above mentioned budget documentation, metropolitan municipalities must submit the Built Environment Performance Plan (BEPP) approved by council on 31 May 2015 to [Yasmin.coovadia@treasury.gov.za](mailto:Yasmin.coovadia@treasury.gov.za).

#### Budget reform returns to the Local Government Database for publication

For publication purposes, municipalities are still required to use the Budget Reform Returns to upload budget and monthly expenditure to the National Treasury Local Government Database. All returns are to be sent to [lgdatabase@treasury.gov.za](mailto:lgdatabase@treasury.gov.za).

The aligned electronic returns may be downloaded from National Treasury's website at the following link: [http://mfma.treasury.gov.za/Return\\_Forms/Pages/default.aspx](http://mfma.treasury.gov.za/Return_Forms/Pages/default.aspx).

#### Reporting in terms of section 71

*Performance reporting template* – all 278 municipalities must complete the quarterly SDBIP performance reports on the prescribed template as circulated with the request to verify the S71 quarterly reports and submit to [lgdocuments@treasury.gov.za](mailto:lgdocuments@treasury.gov.za) as it forms part of quarterly reporting.

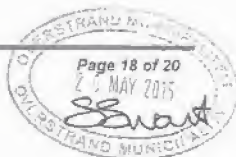
*Unbundling of debt* – the debtors age analysis return makes provision for municipalities to select the category of the government department owing them. However municipalities capture the figures without selecting the relevant government department when completing the return. As the database stores the figures against a department, these unidentified departmental figures can therefore not be stored which results in discrepancies on the amount owed by individual government departments when compared to the total.

Municipalities must ensure that all figures are captured against a selected national or provincial department on the Age Debtors Analysis for Government (ADG) worksheet and are balanced.

#### Publication of budgets on municipal websites

In terms of section 75 of the MFMA all municipalities are required to publish their tabled budgets, adopted budgets, annual reports (containing audited annual financial statements) and other relevant information on the municipality's website. This will aid in promoting public accountability and good governance.

All relevant documents mentioned in this circular are available on the National Treasury website, <http://mfma.treasury.gov.za/Pages/Default.aspx>. Municipalities are encouraged to visit it regularly as documents are regularly added / updated on the website.





## Contact



**national treasury**

Department  
National Treasury  
REPUBLIC OF SOUTH AFRICA

**Post** Private Bag X115, Pretoria 0001  
**Phone** 012 315 5009  
**Fax** 012 395 6553  
**Website** <http://www.treasury.gov.za/default.aspx>

JH Hattingh  
Chief Director: Local Government Budget Analysis  
12 December 2014





### Annexure A – Changes to Schedule A1 – the 'Excel formats'

As noted above, National Treasury has released Version 2.7 of Schedule A1 (the Excel Formats). It incorporates the following changes:

No.	Sheet	Amendment	Reason
1	A5	Insertion of a validity check formula.	Ensure that funding and expenditure balances.
2	A6	Insertion of a validity check formula.	Ensure that net assets and total community wealth balances
3	A7	Insertion of receipts from property rates and service charges line items. Insertion of formulae linking A7 to SA30 for the MTREF.	Simplification of data gathering for determining the collection rate from main services.
4	A10	Insertion of new footnote.	Improve reporting of services provided including informal settlements.



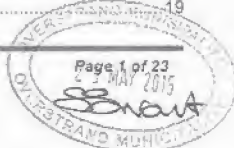


## Municipal Budget Circular for the 2015/16 MTREF

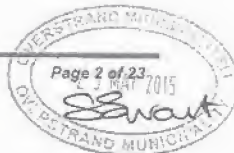
This circular provides further guidance to municipalities and municipal entities for the preparation of their 2015/16 Budgets and Medium Term Revenue and Expenditure Framework (MTREF). It must be read together with all previous MFMA Budget Circulars, and specifically MFMA Circular No. 74.

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## 1. Key focus areas for the 2015/16 budget process

### 1.1 The Medium Term Budget Review 2015

The 2015 Budget Review notes that the global economic outlook has weakened and the pattern of slow growth is likely to persist, with consequences for all developing economies. South Africa's gross domestic product (GDP) forecast for 2015 has also been revised down. The National Treasury projects GDP growth of 2 per cent in 2015, rising to 3 per cent by 2017. Average growth over the forecast period is 0.4 percentage points lower than at the time of the 2014 *Medium Term Budget Policy Statement*. Inadequate electricity supply, however, will impose a serious constraint on output and exports over the short term.

The slowdown in economic growth since 2012 has highlighted structural constraints in the domestic economy. Achieving faster sustainable growth and large-scale job creation will require structural shifts in the economy, stronger supply-side value chains, higher exports, moderation in wage increases and, crucially, growing private-sector investment based on confidence in the long-term business environment.

The 2015 Budget allocates resources to core social and economic priorities while containing aggregate expenditure growth. Spending plans give effect to the priorities of the NDP and the MTSF. Initiatives under way include: large public-sector infrastructure investments in electricity and transport; expanded partnerships to encourage private investment; better cooperation between government, the private sector, trade unions and civil society; incentives to attract new entrants in the economy; special economic zones to boost exports; programmes to reshape the urban spatial landscape; and programmes to improve the quality of education and skills development.

Fiscal constraints mean that transfers to municipalities will grow more slowly in the period ahead than they have in the past. Accordingly, municipalities must renew their focus on core service delivery functions and reduce costs without adversely affecting basic services. Furthermore they must ensure that efficiency gains, eradication of non-priority spending (cost containment measures) and the reprioritisation of expenditure relating to core infrastructure continue to inform the planning framework.

The state of the economy has an adverse effect on the consumers. As a result municipalities' revenues and cash flows are expected to remain under pressure. Furthermore municipalities should carefully consider affordability of tariff increases, especially as it relates to domestic consumers while considering the level of services versus the associated cost.

## 2. Division of Revenue Bill 2015

### 2.1 Transfers to local government 2015

Over the 2015 MTEF period, R313.7 billion will be transferred directly to local government and a further R31.9 billion has been allocated to indirect grants. Direct transfers to local government in 2015/16 account for 9.1 per cent of national government's non-interest expenditure, and when indirect transfers are added, total spending on local government increases to 10 per cent of national non-interest expenditure.



The 2015 Budget Review and the Division of Revenue Bill provides for no reductions to the baseline of the local government equitable share in order to protect funding for free basic services. The baseline allocation for local government conditional grants, however, has been reduced in the 2015 Budget as part of the fiscal adjustment announced in the 2014 *Medium Term Budget Policy Statement*. The reductions in 2015/16 range between 0.9 per cent and 5.5 per cent of the allocation for each grant, with larger reductions on slow-spending and non-infrastructure grants. In order to maintain planned outputs and ease the impact of reductions, grant administrators and municipalities need to spend funds efficiently and effectively and alleviate any unnecessary (non-priority) spending.

The allocations for priority grants such as the *integrated national electrification programme (INEP) grant* and the *municipal water infrastructure (MWIG) grant* will grow significantly. Over the MTEF, the INEP grant grows at an average annual rate of 14.9 per cent and the MWIG at an average of 52.2 per cent, including both direct and indirect grant allocations. An addition of R2.4 billion has been made to the MWIG and the *regional bulk infrastructure grant* over the MTEF period to accelerate the provision of basic water supply to all households and improve the state of water services infrastructure nationwide.

A new grant has also been introduced to subsidise the costs of municipalities that will be merged before the 2016 local government elections as a result of demarcation changes. This grant is allocated R139 million over the MTEF specifically for municipalities that will be impacted by the changes in KwaZulu-Natal and Gauteng. The effect of further changes to demarcations proposed by the Minister of Cooperative Governance and Traditional Affairs and currently being considered by the Municipal Demarcation Board (MDB) will be considered as part of the 2016 budget process for any changes that are approved by the MDB. Municipalities should therefore not budget for the proposed changes in 2015/16.

The 2015 Budget document is available on the National Treasury website at:

<http://www.treasury.gov.za/documents/national%20budget/2015>

In addition, National Treasury will send out allocation letters informing each municipality of its equitable share, national conditional grants and provincial transfers (as reflected in the relevant provincial budget and gazette).

Municipalities must ensure that their tabled budgets reflect the equitable share and conditional grant allocations set out in the 2015 Division of Revenue Bill.

## 2.2 Changes in the 2015 Division of Revenue Bill

### *Review of local government infrastructure grants*

The collaborative review of the local government infrastructure grant system led by the National Treasury is still underway. The first phase of the review, completed in 2014, identified two necessary reforms that will be made in 2015/16:

- The rules in the *municipal infrastructure grant* will be amended to allow funds to be used to refurbish and replace infrastructure, but only if municipalities demonstrate that assets have been maintained on a regular basis. Maintenance must be budgeted for as part of the normal business of municipalities.
- The number of conditional grants will be reduced to ease the burden of grant reporting. The two public transport grants will merge in 2015/16 into a single *public transport network grant*. The number of water and sanitation grants is also likely to be reduced from 2016/17.



Further changes to local government infrastructure grants will be announced in the 2015 MTBPS. In preparing for 2016/17 grant allocations, municipalities are advised to continue preparing business plans and project plans for the existing grants as there will be a phase-in period for any changes to the grant system.

The *local government financial management grant (FMG)* and the *municipal systems improvement grant (MSIG)* provides funds for the implementation of the Municipal Standard Chart of Accounts (mSCOA).

Other changes to local government allocations are more technical and reflect the shift of funds between direct and indirect grants, and the impact of the national macro-organisation of the state that followed the 2014 national elections. For example, the sanitation function, including all sanitation-related grants, has shifted from the Department of Human Settlements to the Department of Water and Sanitation.

### 2.3 Shaping urban development to support growth in cities

South Africa's cities continue to reflect the spatial legacy of apartheid, which impedes economic growth. Cities must play a leading role in driving urban investment programmes, including a pro-active role in introducing new financing arrangements. Over the next three years, government will expand investment in the urban built environment, using resources more effectively to transform human settlements, and drawing in private investment to support more dynamic and inclusive economic growth. The 2015 Budget inaugurates a fundamental realignment in achieving these goals.

The National Treasury will introduce a new fiscal package to help large cities to mobilise the resources necessary to implement strategic investment projects. All participating metros are expected to make measurable commitments to good governance, and effective revenue and expenditure management. The new package includes:

- Modifying the infrastructure grant system to support greater alignment of public resources and to ensure that public investments, services, regulations and incentives are focussed in defined spatial areas (integration zones) to optimise overall access, connectivity and efficiency enabling spatial transformation and inclusive urban economic growth;
- Development of mixed-use and mixed-income precincts and catalytic projects to attract private financial and implementation partnerships. Grants will be consolidated, conditions streamlined, and allocations made more predictable and responsive to the needs of specific investment projects. Furthermore, performance-based allocations to reward cities that demonstrate progressive changes in their urban form, improve access to basic services, reduce barriers to social and economic opportunity, and improve mobility of urban residents will be strengthened;
- Focusing the Neighbourhood Development Partnership Grant to support the identification, development and management of strategic nodes in dense urban townships and township clusters in order to serve as transit orientated precincts;
- Reforming the system of development charges to improve fairness and transparency, and reduce delays in infrastructure provision for private land developments;
- Expanding opportunities for private investment in municipal infrastructure through the Development Bank of Southern Africa (DBSA) increasing its origination of longer-term loans, packaging pooled finance instruments, where appropriate, and supporting the introduction of new lending instruments such as revenue bonds; and





- Reviewing the sustainability of existing own-revenue sources for metropolitan municipalities, particularly in light of their expanding responsibilities in public transport and human settlements.

Metropolitan municipalities should announce further details on their investment plans when they table their 2015/16 budget. Furthermore, cities need to improve their collection of own revenue as a greater share of capital investment needs to come from own generated revenue, in partnership with the private sector.

### 3. Headline inflation forecasts

Municipalities must take the following macro-economic forecasts into consideration when preparing their 2015/16 budgets and MTREF.

Fiscal year	2014	2015	2016	2017	2018
	Actual	Estimate	Forecast		
Real GDP growth	2.2	1.4	2.0	2.6	3.0
CPI Inflation	5.8	5.8	4.8	5.9	5.6

Source: Budget Review 2015

Note: the fiscal year referred to is the national fiscal year (April to March) which is more closely aligned to the municipal fiscal year (July to June) than the calendar year inflation.

### 4. Revising rates, tariffs and other charges

#### 4.1 Eskom bulk tariff increases

On the 29 January 2015, NERSA approved and published guidelines on municipal electricity price increase for the 2015/16 financial year. A guideline increase of **12.20 per cent** has been approved based on the following assumptions:

- Bulk purchases have increased by 14.24 per cent in line with Eskom's electricity tariff increase to municipalities;
- A consumer price index (CPI) of 6.3 per cent as indicated in the Medium Term Budget Policy Statement (MTBPS) 2014;
- Salary and wage increases; and
- Repairs and maintenance, capital charges and other costs have increased by the CPI.

It should be noted that the guideline is not an automatic increase in tariffs. Therefore all municipalities with distribution licenses are still required to apply to NERSA for the approval of their tariffs.

#### 4.2 Electricity levy increase

During his budget speech on 25 February 2015, the Minister of Finance announced that the electricity levy will be increased by 2 cents per kWh. A special municipal circular will be issued in due course to guide municipalities on the implementation of the 2 cents per kWh electricity levy. In the interim municipalities are advised to use the guideline issued by NERSA to set their tariffs for the 2015/16 financial year.

## 5. Funding choices and management issues

### 5.1 Employee related costs

The *Salary and Wage Collective Agreement* for the period 01 July 2012 to 30 June 2015 has come to an end. The South African Local Government Association issued a press release on 03 March 2015 indicating that it tabled the following offer for salaries and wages increase:

- 2015/16 Financial Year – 4.4 per cent (inflation linked)
- 2016/17 and 2017/18 Financial Years – inflation related increase plus additional 0.25 per cent

As the negotiations are still underway, municipalities are advised to use the above proposed guidelines in preparing their 2015/16 budgets.

### 5.2 Remuneration of councillors

Municipalities are advised to budget for the actual costs approved in line with the gazette on the Remuneration of Public Office Bearers Act: Determination of Upper Limits of Salaries, Allowances and Benefits of different members of municipal councils published by the Department of Cooperative Governance and Traditional Affairs. The gazette for 2015 will be released in due course. Municipalities are advised to refer to the circular issued on 23 January 2015 by the Department of Cooperative Governance and Traditional Affairs.

### 5.3 Budgeting for contingency plans for prolonged power outages

Municipalities have indicated that they are in the process of implementing contingency plans to address Eskom power outages such as the procurement of generators and indicated the need for funding from national government. The government is collectively working with Eskom to mitigate the impact of power cuts. These efforts will improve the availability of electricity over the medium term, and plans are under way to ensure that South Africa can generate sufficient energy to power its economy over the long term. The government therefore consistently encourages a reduction in energy consumption and promotion of energy efficiency.

Consequently the response from government is to address the immediate challenge and it would therefore be premature for municipalities to invest in contingency infrastructure with the expectation of funding.

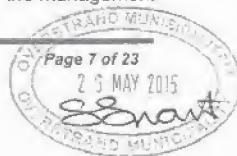
### 5.4 Service level standards

MFMA circular No. 72 indicated that all municipalities must formulate service level standards which must form part of the 2015/16 tabled MTREF budget documentation. The service level standards need to be tabled before the municipal council for formal adoption. A broad guideline was provided on the minimum service standards to be incorporated in the budget documentation. In addition to the guideline, a framework was developed as an outline to assist municipalities in finalising their service level standards. The outline can be accessed by clicking [HERE](#).

It is acknowledged that it is not possible to have the same service level standards across all municipalities. Therefore the outline must be used as a guideline and be amended accordingly to align to the municipality's specific circumstances. Municipalities should also refer to other guidelines issued by other institutions available on the link indicated above.

### 5.5 Non-payment of Eskom and water boards as creditors

Section 65(2)(e) of the Municipal Finance Management Act, 2003 (MFMA, Act No. 56 of 2003) clearly states that "The accounting officer of a municipality is responsible for the management





of the expenditure of the municipality" and "that all money owing by the municipality be paid within 30 days of receiving the relevant invoice or statement, unless prescribed otherwise for certain categories of expenditure".

It has become a common trend between certain municipalities that outstanding debt to Eskom and the water boards is not prioritised for payment. ***Municipalities are cautioned that if they do not immediately settle the current accounts of Eskom and the water boards, the March 2015 tranche of the Equitable Share will be withheld.*** In addition, the payment arrangements to address arrear amounts must be concluded by relevant municipalities, implemented and effected in the budget.

Furthermore, going forward municipalities will be closely monitored and those found to be averting payment to Eskom and the water boards will be deemed as contravening the MFMA and consequently section 216(2) of the Constitution will be imposed.

Municipalities are also reminded of the Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings, which the Minister of Finance promulgated on 31 May 2014. Failure by the Accounting Officer to comply with the requirements of section 65(2)(e) of the MFMA is an act of financial misconduct as defined in section 171 of the MFMA and municipalities is obliged to deal with such breach in terms of the regulations mentioned above.

#### 5.6 VAT on Conditional Grants

Guideline was provided in MFMA Circular No. 58 that ALL conditional grant allocations in the Division of Revenue Act (DoRA) are VAT inclusive, i.e. national government has budgeted to pay the VAT inclusive price of the goods and services purchased by municipalities using conditional grant funding. Further guidelines were issued in MFMA Circular No. 59 on assessing VAT consequences of transactions involving the equitable share grant and conditional grants.

It is critical that municipalities distinguish between the following:

- *Transaction one – the transfer of funds from national or provincial government to a municipality.* The VAT on these transactions is zero-rated, and therefore the issue of paying and reclaiming VAT related to these transactions does not arise.
- *Transaction two – the expenditure of the grant funds by the municipality.* These transactions are subject to the normal VAT provisions. Depending on the nature of goods and services purchased the municipality may or may not be required to pay input VAT.

Municipalities are still advised to follow the guideline provided in the above-mentioned circulars as the position has not changed. Further reference should also be made to the VAT 419 Guideline for Municipalities.

## 6. mSCOA Training

### 6.1 Non-accredited training

The National Treasury will embark on non-accredited training for pilot municipalities during April and May 2015 as per the dates in the table below. Please note that this training is only for pilot municipalities, applicable vendors and provincial treasuries. The training will be on a nomination and invitational basis.

Province	Dates
----------	-------

KwaZulu-Natal	14-15 April 2015
Limpopo	
Mpumalanga	
Free State	
Northern Cape	21-22 April 2015
Eastern Cape	
Western Cape	
Gauteng	5 – 6 May 2015
North West	

Non- accredited training will be provided to the metropolitan municipalities in 2 sessions on 05 and 06 May 2015. This training is intended to provide piloting stakeholders with a broader understanding of the mSCOA classification framework, typical transactional environment and linkage to reporting as part of the piloting output.

## 6.2 Accredited training

The National Treasury is in the process of developing the necessary unit standards for municipal SCOA (mSCOA). These unit standards will be accredited by LGSETA during the 2015 calendar year. National Treasury will develop unit standards aligned training material that will be accredited by LGSETA to be rolled out to all municipalities from the beginning of the 2016 calendar year.

National Treasury will also embark on a process of accreditation of service providers and more particularly facilitators and assessors to be able to roll out the unit standard aligned training from the beginning of the 2016 calendar year and guidelines in this regard will be issued towards the end of 2015.

## 6.3 mSCOA training provided by service providers

National Treasury is aware of the need to train all municipalities on mSCOA within a tight timeline to ensure that municipalities are in the position to be mSCOA compliant by 01 July 2017. On the same token National Treasury is aware of service providers engaging with municipalities that are offering mSCOA training. **Municipalities need to take note that currently there is no formal unit standard and no service provider can offer accredited training as it relates to the mSCOA. Consequently, municipalities are advised to refrain from entering into agreements with training service providers as it would constitute fruitless and wasteful expenditure.**

It is however acknowledged that there exists a need for broader mSCOA awareness and municipalities are advised to directly contact the National Treasury and respective Provincial Treasury to facilitate and consider these requests. Service providers that are approached to facilitate such awareness sessions should also directly liaise with the National Treasury. Municipalities are reminded to adhere to the supply chain management requirements at all times. In this regard municipalities are informed that there are limited specialists in this field at this point in time.

Please note that the current material available on the National Treasury's website (One day training – Demystify mSCOA) is available for use by all parties and no service provider is allowed to charge any fee for this material.

## 7. Conditional Grant Transfers to Municipalities

Section 214 of the Constitution provides for national government to transfer resources to municipalities in terms of the annual DoRA to assist them in exercising their powers and



The DoRA provides for funds to be allocated in different 'schedules'. Each of the schedules provide for grants of a particular type as follows:

Schedule 1		Equitable division of revenue raised nationally among the three spheres of government
Schedule 2		Determination of each province's equitable share of the provincial sphere's share of revenue raised nationally (as a direct charge against the National Revenue Fund)
Schedule 3		Determination of each municipality's equitable share of the local government sphere's share of revenue raised nationally
Schedule 4	Part A	Allocations to provinces to supplement the funding of programmes or functions funded from provincial budgets
	Part B	Allocations to municipalities to supplement the funding of programmes or functions funded from municipal budgets
Schedule 5	Part A	Specific purpose allocations to provinces
	Part B	Specific purpose allocations to municipalities
Schedule 6	Part A	Allocations-in-kind to provinces for designated special programmes
	Part B	Allocations-in-kind to municipalities for designated special programmes
Schedule 7	Part A	Allocations to provinces for immediate disaster response
	Part B	Allocations to municipalities for immediate disaster response

In support of regulation 10 of the *Municipal Budget and Reporting Regulations*, the 2015 Division of Revenue Bill provides that –

1. In terms of section 16, National Treasury is required to publish in the *Government Gazette* the allocations and indicative allocations for all national grants to municipalities;
2. In terms of section 30, each provincial treasury is required to publish in the *Government Gazette* the allocations and indicative allocations per municipality for every allocation to be made by the province to municipalities from the province's own funds; and
3. In terms of section 29, each category C municipality must indicate in its budget all allocations from its equitable share and conditional allocations to be transferred to each category B municipality within the category C municipality's area of jurisdiction.

The Government Gazette reflecting the allocations and indicative allocations for all national grants to municipalities will be available within 14 days of the 2015 Division of Revenue Act being signed into law at the following address:

<http://www.treasury.gov.za/legislation/bills/2015/Default.aspx>

In addition, National Treasury publishes a payment schedule that sets out exactly when the equitable share and national conditional grant funds are to be transferred to municipalities.

This will be available at:

[http://mfma.treasury.gov.za/Media\\_Releases/Municipal%20Payment%20Schedule/Pages/default.aspx](http://mfma.treasury.gov.za/Media_Releases/Municipal%20Payment%20Schedule/Pages/default.aspx)

#### 7.1 Timing of municipal conditional grant transfers

In order to facilitate synchronisation of the national / provincial financial year (01 April to 31 March) with the municipal financial year (01 July to 30 June), the 2015 Division of Revenue Bill requires that all equitable share and Schedule 4 and 5 conditional allocations to municipalities must be transferred to municipalities within the period 01 July 2015 to 31 March 2016. Municipalities must not accept any equitable share or Schedule 4 and Schedule 5 transfers from national or provincial departments outside of these timeframes.

National and provincial departments are also advised to only transfer grant funds and to only make agency payments to municipalities within the period 01 July 2015 to 31 March 2016. This is to ensure the municipality is able to include such funds on its budget for 2015/16 and to ensure that reporting on the use of the funds is properly aligned across the national, provincial and municipal financial years.

#### 7.2 Payment schedule for transfers

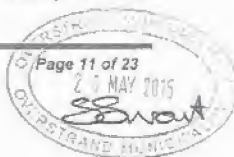
National Treasury has instituted an automated payment system for transfers to municipalities in order to ensure that appropriate safety checks are put in place.

Section 23 of the 2015 Division of Revenue Bill requires transfers to municipalities to be made as per the approved payment schedule published by National Treasury. Through this system, any transfers not in line with the payment schedule will be rejected. In addition, if the payment details of the municipality are not up-to-date the transfers will also be rejected.

#### 7.3 Provincial allocations and payment schedules

Provincial Treasuries must publish in a gazette all provincial allocations envisaged to be transferred to municipalities and submit the gazette to National Treasury on a date not later than 14 days after the Division of Revenue Act has been enacted.

Provinces must also submit to the National Treasury the payment schedule against all provincial allocations to municipalities 14 days after the Act takes effect. The payment schedule must include the date of transfer, the amount and the name of the grant. The





Provincial Treasuries must notify the receiving officers of any deviations from the payment schedule. The payment schedules that provincial treasuries are required to submit to National Treasury in terms of section 30(5) of the 2015 Division of Revenue Bill will be published on National Treasury's website, along with the national payment schedule.

#### 7.4 Relationship between Category C and Category B municipalities

The Division of Revenue Bill (DoRB) provides that the revenues raised nationally in respect of the 2015/16 financial year must be divided among the national, provincial and local spheres of government. Furthermore, section 29 of the DoRB states that category C municipality must, within 10 days after the Act takes effect, submit to the National Treasury and all category B municipalities within that municipality's area of jurisdiction, the budget, as tabled in accordance with section 16 of the MFMA, for the 2015/16 financial year.

Transfers are always made to the municipality (district or local) authorised to perform a function. In cases where basic services functions are assigned to district municipalities National Treasury publishes, for information purposes, the amounts that would have been allocated to each local municipality through the formulas for the local government equitable share and municipal infrastructure grant if local municipalities were assigned these basic services functions. These amounts are published in Appendix W1 and Appendix W2 to the 2015 Division of Revenue Bill (see pages 271-284 of the Bill).

The budget of a category C municipality must indicate all allocations from its equitable share and conditional allocations to be transferred to each category B municipality within the category C municipality's area of jurisdiction and disclose the criteria for allocating funds between the category B municipalities. The following practical arrangement will apply:

- Step 1: District Municipality (category C municipality) must when tabling their budgets indicate which municipalities within their area of jurisdiction will receive allocations from the municipality;
- Step 2: After the DoRA takes effect the District Municipality must within 10 days submit the tabled budget that contains allocations to be made to category B municipalities;
- Step 3: The District Municipality must share with the municipalities within its jurisdiction how much is allocated to them, what criteria was used to make allocations and agree with the affected municipalities on how the monies are going to be disbursed. The disbursement schedule (payment schedule) must be sent to National Treasury and respective Provincial Treasury before the beginning of the municipal financial year;
- Step 4: The District Municipality, having the authority to provide municipal services, must before implementing any capital project consult with the category B municipality affected and agree in writing through a Service Level Agreement (SLA) who will be responsible for operational costs and collection of rates; and
- Step 5: District Municipality must make transfers to their local municipalities according to the agreed upon payment schedule.

National Treasury may withhold or stop any funding allocated to a category C municipality and reallocate it to a category B municipality if the category C municipality fails to:

- i) make allocations to their respective municipalities within their jurisdiction;
- ii) reach an agreement with the category B municipality; and
- iii) submit the payment schedule to National Treasury and respective Provincial Treasury.

### 7.5 Responsibilities of transferring and receiving authorities

The legal obligations placed on transferring and receiving officers in terms of the 2015 DoRB are very similar to previous requirements. National Treasury intends ensuring strict compliance in order to improve spending levels, and the quality of information relating to the management of conditional grants.

Municipalities are again reminded that compliance with the annual DoRA is the responsibility of the municipal manager as the "receiving officer". The municipal manager is responsible for, among other things, the tabling of monthly reports in council on whether or not the municipality is complying with the DoRA. He/she is also responsible for reporting on any delays in the transfer or the withholding of funds. Failure on the part of a municipal manager to comply with the Act in this regard will have financial implications for the municipality as it will lead to the municipality losing revenue when funds are stopped and/or reallocated.

Where the municipality is unable to comply, or requires an extension, the municipal manager must apply to the National Treasury and provide comprehensive motivation for the non-compliance.

### 7.6 Criteria for the rollover of conditional grant funds

Section 22 of the 2014 Division of Revenue Act requires that any conditional grants which are not spent at the end of the municipal financial year must revert to the National Revenue Fund, unless the receiving officer proves to the satisfaction of National Treasury that the unspent allocation is committed to identifiable projects, in which case the funds may be rolled over.

When applying to retain unspent conditional allocations committed to identifiable projects or requesting a rollover in terms of section 22(2) of the Division of Revenue Act, municipalities must supply National Treasury with the following information –

1. A formal letter addressed to the National Treasury requesting the rollover of unspent conditional grants in terms of section 22(2) of the 2014 DoRA. The letter must be signed by the accounting officer;
2. List of all the projects that are linked to the unspent conditional grants and indicate how much was allocated and spent per project;
3. Evidence that work on each of the projects has commenced, namely either of the following:
  - a. Proof that the project tender was published and the period for tender submissions closed before 31 March; or
  - b. Proof that a contractor or service provider was appointed for delivery of the project before 30 June.
4. A progress report (also in percentages) on the state of implementation of each of the projects;
5. The amount of funds committed to each project, and the conditional allocation from which the funds come;
6. Reasons why the grants were not fully spent in the year that it was originally allocated as per the DoRA;
7. Municipalities must not include previous year's unspent conditional grants as a rollover request. Rollover of rollovers will not be considered;
8. An indication of the time-period within which the funds are to be spent; and
9. Proof that the Chief Financial Officer and Municipal Manager are permanently appointed.  
*No rollover requests will be considered for municipalities with vacant or acting chief financial officers and Municipal Managers for a period exceeding 4 months.*





If any of the above information is not provided or the application is received by National Treasury after 31 August 2015, the application will be declined.

In addition, National Treasury will also take into account the following information when assessing rollover applications, and reserves the right to decline an application if there is non-performance by the municipality in any of these areas:

1. Compliance with the in-year reporting requirements in sections 71 and 72 of the MFMA and section 12 of the 2014 DoRA, including the municipal manager and chief financial officer signing-off on the information sent to National Treasury;
2. Submission of the pre-audit Annual Financial Statements information to National Treasury by 31 August 2015;
3. Accurate disclosure of grant performance in the 2014/15 pre-audit Annual Financial Statements;
4. Under no circumstance would the National Treasury approve the entire allocation of the municipality i.e. The municipality must spend a minimum of 50 per cent of the allocation per programme;
5. Cash available in the bank as at 30 June 2015 and in line with the cash flow statements to finance the roll-over request;
6. No approval will be granted for municipalities requesting roll over of the same grant for the 3<sup>rd</sup> consecutive time; and
7. Incorporation of the Appropriation Statement (discussed in point 6.7 below) as part of the pre-audit Annual Financial Statements.

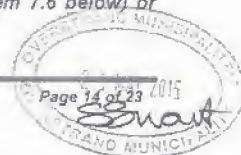
When approving any rollover requests, National Treasury will use the latest conditional grant expenditure information available at the time, which in this instance is likely to be the disclosure of grant performance in the 2014/15 pre-audit Annual Financial Statements which must be concluded by 31 August 2015.

Similar to the above mentioned rollover process and in accordance with section 22(3)(b) of Division of Revenue Act, provincial treasuries are encouraged to institute measures and criteria for the rollover of conditional grant funds that municipalities receive from provincial departments. Refer to MFMA Budget Circular No.51 for more information.

#### 7.7 Unspent conditional grant funds for 2014/15

The process to ensure the return of unspent conditional grants for the 2014/15 financial year will be managed in accordance with section 22 of the DoRA. In addition to the previous MFMA circulars, the following practical arrangements will apply –

- Step 1: Municipalities must submit their June 2015 conditional grant expenditure reports according to section 71 of the MFMA reflecting all accrued expenditure on conditional grants and further ensure that expenditures reported to both National Treasury and national transferring officers are the same.
- Step 2: When preparing their annual financial statements a municipality must determine what portion of each national conditional allocation it received remained unspent as at 30 June 2015. These amounts **MUST** exclude all interest earned on conditional grants, retention and all VAT related to conditional grant spending that has been *reclaimed from SARS*, which must be disclosed separately.
- Step 3: If the receiving officer wants to motivate in terms of section 22(2) of the DoRA 2014 that the funds are committed to identifiable projects or wants to propose an alternative payment method or schedule, the required information must be submitted to National Treasury by 31 August 2015. **National Treasury will not consider any rollover requests that are incomplete (see item 7.6 below) or that are received after this deadline.**



- Step 4: National Treasury will confirm in writing whether or not the municipality may retain any of the unspent funds as a rollover based on the evidence that the funds are committed to identifiable projects by **02 October 2015** or whether it has agreed to any alternative payment arrangement or schedules.
- Step 5: A municipality must return the remaining unspent conditional grant funds that are not subject to a specific repayment agreement with National Treasury to the National Revenue Fund by **23 October 2015**. Failure to return these unspent funds by this date will constitute financial misconduct in terms of section 34 of the DoRA.
- Step 6: Any unspent conditional grant funds that should have, but has not been repaid to the National Revenue Fund by 23 October 2015 will be offset against the municipality's November 2015 equitable share allocation unless the municipality has agreed to an alternative payment arrangement or schedule.

All the calculations of the amounts to be surrendered to the National Revenue Fund will be audited by the Auditor-General.

#### 7.8 Appropriation statement (Reconciliation: Budget and in-year performance)

In terms of GRAP 24 (Presentation of budget information in AFS) municipalities are required to present their original and adjusted budgets against the actual outcome in the annual financial statements; this is considered an appropriation statement. This statement is subject to auditing and accordingly supporting documentation would be required to substantiate the compilation of this statement. All municipalities were required to compile an appropriation statement with the 2012/13 AFS.

Many municipalities neglected to compile the appropriation as part of their 2012/13 AFS. National Treasury considers this non-compliance in a serious light and going forward the incorporation of an appropriation statement in the AFS will form part of the *evaluation criteria in considering and approving conditional grant rollovers. In the absence of an appropriation statement National Treasury will not consider conditional grant roll over applications.*

#### 7.9 Reporting and accounting for municipal approved conditional grant roll-overs

All reporting on rollover approvals must be reported to respective treasuries, national transferring officers and provincial departments responsible for monitoring the conditional grants.

A municipality must report separately on the spending of approved conditional grant roll overs. National Treasury will provide a separate reporting template to facilitate this. This template must be submitted together with the normal in-year template for reporting conditional grant spending for the year. The template is customised per municipality and must be requested by e-mail: [lqdataqueries@treasury.gov.za](mailto:lqdataqueries@treasury.gov.za).

### 8. The Municipal Budget and Reporting Regulations

National Treasury has released Version 2.7 of Schedule A1 (the Excel Formats). This version incorporates minor changes (see Annexure A). Therefore ALL municipalities MUST use this version for the preparation of their 2015/16 Budget and MTREF.

Download Version 2.7 of Schedule A1 by clicking [HERE](#)

The Municipal Budget and Reporting Regulations are designed to achieve a range of objectives, including improving the local government sphere's ability to deliver services by



facilitating improved financial sustainability and better medium term planning. The regulations, formats and associated guides etc. are available on National Treasury's website at:

<http://mfma.treasury.gov.za/RegulationsandGazettes/Pages/default.aspx>

Municipalities are required to submit their budget related electronic returns to [lgdatabase@treasury.gov.za](mailto:lgdatabase@treasury.gov.za) for both the draft budget and the final adopted budget. This will assist the National and Provincial Treasuries with the benchmark process.

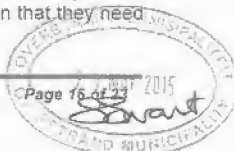
### 8.1 Assistance with the compilation of budgets

If you require advice with the compilation of your budgets, the budget documents or Schedule A1 please direct your enquiries as follows:

	Responsible NT officials	Tel. No.	Email
Eastern Cape	Templeton Phogole	012-315 5044	<a href="mailto:Templeton.Phogole@treasury.gov.za">Templeton.Phogole@treasury.gov.za</a>
	Matlaji Mashoeshoe	012-315 6567	<a href="mailto:Matlaji.Mashoeshoe@treasury.gov.za">Matlaji.Mashoeshoe@treasury.gov.za</a>
Free State	Vincent Malepa	012-315 5539	<a href="mailto:Vincent.Malepa@treasury.gov.za">Vincent.Malepa@treasury.gov.za</a>
	Katlego Mabiletsa	012-395 6742	<a href="mailto:Katlego.Mabiletsa@treasury.gov.za">Katlego.Mabiletsa@treasury.gov.za</a>
Gauteng	Kgomotso Baloyi	012-315 5866	<a href="mailto:Kgomotso.Baloyi@treasury.gov.za">Kgomotso.Baloyi@treasury.gov.za</a>
	Nomxolisi Mawulana	012-315 5460	<a href="mailto:Nomxolisi.Mawulana@treasury.gov.za">Nomxolisi.Mawulana@treasury.gov.za</a>
KwaZulu-Natal	Bernard Mokgabodi	012-315 5936	<a href="mailto:Bernard.Mokgabodi@treasury.gov.za">Bernard.Mokgabodi@treasury.gov.za</a>
	Johan Botha	012-315 5171	<a href="mailto:Johan.Botha@treasury.gov.za">Johan.Botha@treasury.gov.za</a>
	Walter Munyai	012-395 6793	<a href="mailto:Walter.Munyai@treasury.gov.za">Walter.Munyai@treasury.gov.za</a>
Limpopo	Una Rautenbach	012-315 5700	<a href="mailto:Una.Rautenbach@treasury.gov.za">Una.Rautenbach@treasury.gov.za</a>
	Sifiso Mabaso	012-315 5952	<a href="mailto:Sifiso.Mabaso@treasury.gov.za">Sifiso.Mabaso@treasury.gov.za</a>
Mpumalanga	Jordan Maja	012-315 5663	<a href="mailto:Jordan.Maja@treasury.gov.za">Jordan.Maja@treasury.gov.za</a>
	Anthony Moseki	012-315 5174	<a href="mailto:Anthony.Moseki@treasury.gov.za">Anthony.Moseki@treasury.gov.za</a>
Northern Cape	Willem Voigt	012-315 5830	<a href="mailto:Willem.Voigt@treasury.gov.za">Willem.Voigt@treasury.gov.za</a>
	Mandla Gilimani	012-315 5807	<a href="mailto:Mandla.Gilimani@treasury.gov.za">Mandla.Gilimani@treasury.gov.za</a>
North West	Sadesh Ramjathan	012-315 5101	<a href="mailto:Sadesh.Ramjathan@treasury.gov.za">Sadesh.Ramjathan@treasury.gov.za</a>
	Makgabo Mabotja	012-315 5156	<a href="mailto:Makgabo.Mabotja@treasury.gov.za">Makgabo.Mabotja@treasury.gov.za</a>
Western Cape	Vuyo Mbunga	012-315 5661	<a href="mailto:Vuyo.Mbunga@treasury.gov.za">Vuyo.Mbunga@treasury.gov.za</a>
	Kevin Bell	012-315 5725	<a href="mailto:Kevin.Bell@treasury.gov.za">Kevin.Bell@treasury.gov.za</a>
	Mlungisi Mthembu	012-395 6554	<a href="mailto:Mlungisi.Mthembu@treasury.gov.za">Mlungisi.Mthembu@treasury.gov.za</a>
Technical issues with Excel formats	Elsabe Rossouw	012-315 5534	<a href="mailto:lgdataqueries@treasury.gov.za">lgdataqueries@treasury.gov.za</a>

National Treasury, working with the provincial treasuries, will carry out a compliance check and where municipalities have not provided complete information, the budgets will be referred back to the Mayor and municipal manager. Municipal managers are reminded that the annual budget must be accompanied by a 'quality certificate' in accordance with the format set out in item 31 of Schedule A in the Municipal Budget and Reporting Regulations. The National Treasury would like to emphasise that where municipalities have not adhered to the Municipal Budget and Reporting Regulations, **those municipalities will be required to go back to the municipal council and table a complete budget document aligned to the requirement of the Municipal Budget and Reporting Regulations.**

Municipalities with municipal entities are once again reminded that they need to produce consolidated budgets and in-year reports for both the parent entity and entity in that they need to produce:



- An annual budget, adjustment budget and monthly financial statements for the parent municipality in the relevant formats; and
- A consolidated annual budget, adjustments budget and monthly financial statements for the parent municipality and all its municipal entities in the relevant formats.

In addition, the A Schedule that the municipality submits to National Treasury must be the consolidated budget for the municipality (plus entities) and not the budget of the parent municipality.

## 8.2 Benchmarking process

National Treasury and provincial treasuries will be conducting benchmark budget hearings on the municipalities' tabled budgets during April and early May 2015 to assess whether the budgets are realistic, sustainable and relevant, and the extent to which they are funded in accordance with the requirements of the MFMA. In this regard, National Treasury will communicate further with the non-delegated municipalities, while the provincial treasuries will communicate with their respective delegated municipalities.

Municipalities are required to table the reports and recommendations provided by the respective treasury in Council and submit a copy of the council resolution in this regard to National Treasury and the respective Provincial Treasury.

## 8.3 The difference between the collection rate on table SA8 and SA10

The collection rate (cash receipts % of ratepayer & other revenue) on table SA10 - Funding measurement, is a cash collection rate calculated on operating revenue at the rate at which funds are 'collected'. This measure is intended to analyse an underlying conservative assumed collection rate; i.e. how much cash is expected to be collected from property rates, service charges and other revenue (excluding grants and interest earned).

The collection rate (cash receipts % of ratepayer & service charges) on table SA8 - Performance indicators and benchmarks row 18 refers to a "Current Consumer Debtors Collection Rate" - this measure is intended to analyse the actual consumer collection rate from property rates and service charges only, excluding other revenue.

## 9. Budget process and submissions for the 2015/16 MTREF

Over the past number of years there have been significant improvements in municipal budget processes. Municipalities are encouraged to continue their efforts to improve their budget processes based on the guidance provided in previous and current MFMA Circulars.

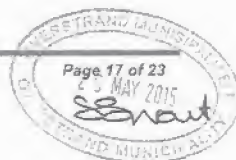
Once more, municipalities are reminded that the IDP review process and the budget process should be combined into a single process. Municipalities are reminded to prepare for the budget verification process that will be undertaken on the adopted budgets.

### 9.1 Tabling of the MFMA budget circular in municipal council

Municipalities are advised to table the annual municipal budget Circulars in council together with the budget documents.

### 9.2 Submitting budget documentation and schedules for 2015/16 MTREF

To facilitate oversight of compliance with the Municipal Budget and Reporting Regulations, accounting officers are reminded that:



- Section 22(b)(i) of the MFMA requires that *immediately* after an annual budget is tabled in a municipal council it must be submitted to the National Treasury and the relevant provincial treasury in both printed and electronic formats. If the annual budget is tabled to council on 31 March 2015, the final date of submission of the electronic budget documents and corresponding electronic returns is **Wednesday, 01 April 2015**. The deadline for submission of hard copies including council resolution is **Friday, 10 April 2015**.
- Section 24(3) of the MFMA, read together with regulation 20(1), requires that the approved annual budget must be submitted *within ten working days* after the council has approved the annual budget. If the council only approves the annual budget on 30 June 2015, the final date for such a submission is Tuesday, **14 July 2015**, otherwise an earlier date applies.

The municipal manager must submit:

- the budget documentation as set out in Schedule A of the Municipal Budget and Reporting Regulations, including the main Tables (A1 - A10) and all the supporting tables (SA1 – SA37) in both printed and electronic format;
- the draft service delivery and budget implementation plan in both printed and electronic format;
- the draft integrated development plan;
- in the case of approved budgets, the council resolution;
- Signed Quality Certificate as prescribed in the Municipal Budget and Reporting Regulations; and
- Signed budget locking certificate as found on the website.

Municipalities are required to send electronic versions of documents and the A1 schedule to [lgdocuments@treasury.gov.za](mailto:lgdocuments@treasury.gov.za).

If the budget documents are too large to be sent via email (exceeds 4MB) please submit to [lgbigfiles@gmail.com](mailto:lgbigfiles@gmail.com); any problems experienced in this regard can be addressed with Elsabe Rossouw (email: [Elsabe.Rossouw@treasury.gov.za](mailto:Elsabe.Rossouw@treasury.gov.za)).

Municipalities are required to send printed submissions of their budget documents and council resolution to:

**For couriered documents**

Ms Linda Kruger  
National Treasury  
40 Church Square  
Pretoria, 0002

**For posted documents**

Ms Linda Kruger  
National Treasury  
Private Bag X115  
Pretoria, 0001

In addition to the above mentioned budget documentation, metropolitan municipalities must submit the Built Environment Performance Plan (BEPP) approved by council on 31 May 2015 to [Yasmin.coovadia@treasury.gov.za](mailto:Yasmin.coovadia@treasury.gov.za).





### 9.3 Budget reform returns to the Local Government Database for publication

For publication purposes, municipalities are still required to use the Budget Reform Returns to upload budget and monthly expenditure to the National Treasury Local Government Database. All returns are to be sent to [lgdatabase@treasury.gov.za](mailto:lgdatabase@treasury.gov.za).

Returns for the 2015/16 budget must be submitted to the Local Government Database by the latest 24 July 2015.

The aligned electronic returns may be downloaded from National Treasury's website at the following link: [http://mfma.treasury.gov.za/Return\\_Forms/Pages/default.aspx](http://mfma.treasury.gov.za/Return_Forms/Pages/default.aspx).

### 9.4 Publication of budgets on municipal websites

In terms of section 75 of the MFMA all municipalities are required to publish their tabled budgets, adopted budgets, annual reports (containing audited annual financial statements) and other relevant information on the municipality's website. This will aid in promoting public accountability and good governance.

All relevant documents mentioned in this circular are available on the National Treasury website, <http://mfma.treasury.gov.za/Pages/Default.aspx>. Municipalities are encouraged to visit it regularly as documents are regularly added / updated on the website.

## Contact



**national treasury**

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**Website** <http://www.treasury.gov.za/default.aspx>

JH Hattingh  
Chief Director: Local Government Budget Analysis  
09 March 2015





As noted above, National Treasury has released Version 2.7 of Schedule A1 (the Excel Formats). It incorporates the following changes:

No.	Sheet	Amendment	Reason
1	A5	Insertion of a validity check formula	Ensure that funding and expenditure balances.
2	A6	Insertion of a validity check formula	Ensure that net assets and total community wealth balances.
3	A7	Insertion of receipts from property rates and service charges line items  Insertion of formulae linking A7 to SA30 for the MTRF.	Simplification of data gathering for determining the collection rate from main services.
4	A10	insertion of new footnote.	Improve reporting of services provided including informal settlements

## Annexure B – Previous MFMA Circulars

### Budget management issues dealt with in previous MFMA Circulars

Municipalities are reminded to refer to MFMA Circulars 48, 51, 54, 55, 66, 67 and 70 with regards to the following issues:

1. Mayor's discretionary funds and similar discretionary budget allocation – National Treasury regards allocations that are not designated for a specific purpose to be bad practice and discourage them (refer to MFMA Circular 51).
2. Unallocated ward allocations – National Treasury does not regard this to be a good practice, because it means that the tabled budget does not reflect which ward projects are planned for purposes of public consultation and council approval (refer to MFMA Circular 51).
3. New office buildings – Municipalities are required to send detailed information to National Treasury if they are contemplating building new main office buildings (refer to MFMA Circular 51).
4. Virement policies of municipalities – Municipalities are reminded of the principles that must be incorporated into municipal virements policies (refer to MFMA Circular 51).
5. Providing clean water and managing waste water – Municipalities were reminded to include a section on 'Drinking water quality and waste water management' in their budget document (refer to MFMA Circular 54).
6. Renewal and repairs and maintenance of existing assets – Allocations to repairs and maintenance, and the renewal of existing infrastructure must be prioritised. Municipalities must provide detailed motivations in their budget documentation if allocations do not meet the required benchmarks set out in MFMA Circular 55 and 66.
7. Credit cards and debit cards linked to municipal bank accounts are not permitted – On 02 August 2011 National Treasury issued a directive to all banks informing them that as from 01 September 2011 they are not allowed to issue credit cards or debit cards linked to municipal bank accounts (refer to MFMA Circular 55).
8. Water and sanitation tariffs must be cost reflective - refer to MFMA Circular 66.
9. Solid waste tariffs – refer to MFMA Circular 70.
10. Variances between 4<sup>th</sup> Quarter section 71 results and annual financial statements – refer to Circular 67.
11. Additional In-Year reporting requirements – refer to MFMA Circular 67.
12. Appropriation statement (reconciliation: budget and in-year performance) - reference is made to circular 67. It came to the attention of National Treasury that a number of municipalities did not include the appropriation statement as part of their 2012/13 or 2013/14 annual financial statement. In terms of the Standards of GRAP 24 on the Presentation of Budget Information in Financial Statements, municipalities are required to present their original and adjusted budgets against actual outcome in the annual financial statements. This is considered an appropriation statement and the comparison between the budget and actual performance should be a mirror image of each other as it relates to the classification and grouping of revenue and expenditure as has been the case in a national and provincial context. This statement is subject to auditing and accordingly supporting documentation would be required to substantiate the compilation of this statement.
13. Eliminating non-priority spending – The 2013 MTBPS emphasised the need for government to step-up its efforts to combat waste, inefficiency and corruption (refer to MFMA circular 70).
14. Council oversight over the budget process – refer to MFMA Circular 70.



Municipalities are reminded to refer to MFMA Circulars 48, 51, 54, 55 and 67 with regards to the following issues:

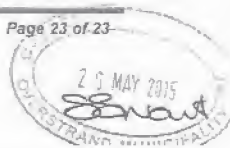
1. Accounting treatment of conditional grants: Municipalities are reminded that in accordance with accrual accounting principles, conditional grants should only be treated as 'transfers recognized' revenue when the grant revenue has been 'earned' by incurring expenditure in accordance with the conditions of the grant.
2. VAT on conditional grants: SARS has issued a specific guide to assist municipalities meeting their VAT obligations – **VAT 419 Guide for Municipalities**. To assist municipalities accessing this guide it has been placed on the National Treasury website at: <http://mfma.treasury.gov.za/Guidelines/Pages/default.aspx>
3. Interest received and reclaimed VAT in respect of conditional grants: Municipalities are reminded that in MFMA Circular 48, National Treasury determined that:
  - Interest received on conditional grant funds must be treated as 'own revenue' and its use by the municipality is not subject to any special conditions; and
  - 'Reclaimed VAT' in respect of conditional grant expenditures must be treated as 'own revenue' and its use by the municipality is not subject to any special conditions.
4. Appropriation of conditional grants that are rolled over – As soon as a municipality receives written approval from National Treasury that its unspent conditional grants have been rolled-over it may proceed to spend such funds (refer to MFMA Circular 51 for other arrangements in this regard).
5. Pledging of conditional grant transfers – the 2015 Division of Revenue Bill contained a provision that allows municipalities to pledge their conditional grants. The end date for the pledges is extended to 2017/18. The process of application as set out in MFMA Circular 51 remains unchanged.
6. Separate reporting for conditional grant roll-overs – National Treasury has put in place a separate template for municipalities to report on the spending of conditional grant roll-overs. Municipalities are reminded that conditional grant funds can only be rolled-over once, so if they remain unspent in the year in which they were rolled-over they MUST revert to the National Revenue Fund.
7. Payment schedule – National Treasury has instituted an automated payment system of transfers to municipalities in order to ensure appropriate safety checks are put in place. Only the primary banking details verified by National Treasury will be used for effecting transfers.
8. Conditional grant transfers/payments, the responsibilities of transferring and receiving authorities and the criteria for the rollover of conditional grants – It is important that the transfers made to municipalities' are transparent, and properly captured in the municipalities' budgets. MFMA Circular no: 67 in this regard refers. The criterion for the rollover of conditional grants is stipulated in MFMA Circular no: 51.

Municipalities are reminded to refer to MFMA Circulars 48, 51, 54, 55 with regards to the following issues:

1. Budgeting for revenue and 'revenue foregone' – The 'realistically anticipated revenues to be collected' that must be reflected on the Budgeted Statement of Financial Performance (Tables A2, A3 and A4) must exclude 'revenue foregone'. The definition

of 'revenue foregone' and how it is distinguished from 'transfers and grants' is explained in MFMA Circular 51.

2. Preparing and amending budget related policies – Information on all budget related policies and any amendments to such policies must be included in the municipality's annual budget document (refer to MFMA Circular 54).
3. 2013/14 MTREF Funding Compliance Assessment – All municipalities were required to perform the funding compliance assessment outlined in *MFMA Funding Compliance Guideline* and to include the relevant information outlined in MFMA Circular 55 in their 2015/16 budgets (refer to MFMA Circular 55).





Annexure C to MFMA Circular No. 75

Municipal Finance Management Act No. 56 of 2003

## Municipal Budget Circular for the 2015/16 MTREF

This circular provides further guidance to municipalities and municipal entities for the preparation of their 2015/16 Budgets and Medium Term Revenue and Expenditure Framework (MTREF) relating to the likelihood of further increases to the bulk price of electricity.

## CONTENTS

1. BUDGETING FOR BULK ELECTRICITY PRICE INCREASES.....2

## 1. Budgeting for bulk electricity price increases

In terms of section 42(4) of the Municipal Finance Management Act (MFMA), the executive authority for an organ of state responsible for the provision of water, electricity or other bulk services to a municipality is required to table the amendments to its pricing structure in Parliament by 15 March annually for any increases to take effect from 1 July of that year. In the case of bulk electricity provided by Eskom the Minister of Public Enterprises is responsible for tabling these increases. Section 42(5) provides that the Minister of Finance may grant approval that the executive authority tables amendments to the pricing structure in Parliament after 15 March that can still take effect from 1 July of that year.

The Minister of Finance received requests in terms of section 42(5) of the MFMA to extend the deadline to provide adequate time for the National Energy Regulator of South Africa (NERSA) to review Eskom's applications with regard to the selective re-opener for MYPD3 and liquidation of its equity returns. The Minister of Finance approved that this deadline be extended to 15 May 2015 so as to ensure that municipalities are still able to table their budgets in the respective municipal councils by 31 May 2015 as per the requirements of the MFMA.

Should NERSA approve a further increase to Eskom's pricing structure, the implication will be that the municipal electricity guidelines already published by NERSA will have to be adjusted to account for the increase in Eskom's amended pricing structure. It is expected that any further increase to Eskom's bulk price that are approved by NERSA will be added to the 12.20 per cent bulk tariff increase for 2015/16 already approved. Municipalities will be advised of NERSA's determination in this regard as soon as available.

Consideration is also being given as to whether the 2 cent per kilowatt hour increase in the electricity levy that was announced by the Minister of Finance in his 2015 Budget Speech will also be implemented from 1 July 2015. An announcement in this regard will be made shortly and municipalities should be prepared to also take this into account in the costing of their bulk electricity purchases.

If any further increase to the bulk electricity tariff for 2015/16 is approved by NERSA, municipalities should make corresponding adjustments to their municipal electricity tariff structures as part of their budgets for the 2015/16 MTREF. **The budgets tabled in municipal councils by 31 May 2015 (as required by the MFMA) must fully account for the final bulk price increases approved by NERSA and be incorporated into electricity tariff structures.** Provision for free basic electricity to poor households should be protected in the municipal budget as part of electricity tariff structuring.

National Treasury acknowledges the difficulties that these late changes to the bulk price of electricity will create for municipalities as they finalise their budgets. Consideration of such late changes is part of the extraordinary measures government is taking to stabilise the future supply of electricity in South Africa. As such, while these measures may cause difficulties in the short-term they are in all of our long-term interest.



For any further advice or guidance on compiling your budget, please contact the budget analyst in your provincial treasury or National Treasury responsible for assisting your municipality.

## Contact

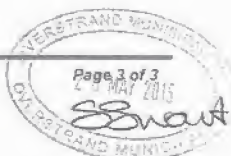


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JH Hattingh  
Chief Director: Local Government Budget Analysis  
17 April 2015





## Uniform Financial Ratios and Norms

The purpose of this Circular is to provide a set of uniform key financial ratios and norms suitable and applicable to municipalities and municipal entities. Section 216 (1)(c) of the Constitution and section 2 of the Municipal Finance Management Act (MFMA) enable National Treasury to introduce uniform treasury norms and standards to ensure sound and sustainable management of fiscal and financial affairs of municipalities and municipal entities.

A number of institutions currently use a variety of financial ratios and norms to assess and compare the financial health and performance of municipalities. Municipalities also use different financial ratios and norms to assess their own performance and set benchmarks for improvement to be measured over time. Results of our research show that there are in excess of two hundred different sets of financial ratios, with different derivatives used to assess municipality's financial status. This results in conflicting interpretation, inconsistent application and misunderstanding of the financial status of a municipality, often with incorrect diagnosis of the challenges and therefore inappropriate responses.

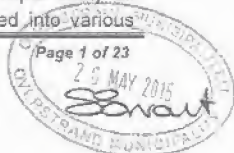
This Circular aims to bring consistency in interpretation and application of certain financial information using standardised financial ratios. It is important that any one of these ratios should not be read in isolation of one another, as this could lead to distortions in interpretation. Ideally, a number of interrelated ratios should be analysed together in order to get a broader picture of a municipality's or municipal entity's financial performance. When used in a combined manner analysis of different ratios will provide policy makers and the public with a very good sense of the financial status of the municipality and its entity. This Circular will also assist in municipalities being able to identify areas of financial management that need constant monitoring and improvement.

The Circular addresses different categories of ratios norms, interpretation and covers various aspects of a municipality's finances, such as financial position, financial performance and budget implementation, so that these can be used as part of in-year and end of year analysis. This will also aid in long-term financial planning and can be used to track progress over a number of years. Each ratio is explained to remove ambiguity and misinterpretation. The source of such information is also explained in the annexures to this Circular. Norms or standards have been assigned to each financial ratio, which are explained later in this Circular.

## Categorisation Financial Ratios, Formulas, Norms and Interpretation

### Categorisation

In order to perform a holistic financial analysis of a municipality or municipal entity all financial aspects of the institution should be considered. Ratios are divided into various





- 1) Financial Position
- 2) Financial Performance
- 3) Budget Implementation

When assessing the level of Investment in Assets, a ratio less than 10% reflects lower spending by the municipality in infrastructure and holds potential risks to service delivery. A ratio of more than 20% reflects higher spending on infrastructure and acceleration in service delivery, but could also hold financial sustainability risks if the infrastructure do not include both economic (revenue generating) and social type infrastructure.

On the other hand a municipality where the infrastructure and level of services provided is low and the associated expenditure is also low, the percentage of investment in new assets to total expenditure would be significantly higher.

It is critical that capital expenditure is largely directed toward service delivery infrastructure and not administrative assets.

### Purpose/ Description of the Ratio

This implies that the utilisation of assets did not deliver the value or service levels envisaged when approval was originally obtained for procuring the assets. When the approval is obtained to invest in Property, Plant and Equipment or Intangible Assets by the Municipality or Municipal Entity, the value should be realised through utilisation and reflected as Depreciation and not through unexpected losses due the Impairment of Property, Plant and Equipment or Intangible Assets. Impairment is therefore unexpected and only detected when the assessment for Impairment is performed as per the requirements of the applicable GRAP standards. It is therefore not planned for or expected and will not be budgeted.

**Formula**

Property, Plant and Equipment + Investment Property + Intangible Assets  
Impairment/ (Total Property, Plant and Equipment + Investment Property + Intangible  
Assets) x 100

**Norm**

The norm is 0%

**Interpretation of Results**

The purpose of the Ratio is to indicate the percentage of Impairments compared to the Carrying Value of the Assets; a ratio above 0% reflects a risk in service delivery and therefore corrective measures should be implemented.

**3. Repairs and Maintenance as a % of Property, Plants and Equipment and Investment Property (Carrying Value)**

**Purpose/ Use of the Ratio**

The Ratio measures the level of repairs and maintenance to ensure adequate maintenance to prevent breakdowns and interruptions to service delivery. Repairs and maintenance of municipal assets is required to ensure the continued provision of services.

**Formula**

Total Repairs and Maintenance Expenditure / Property, Plant and Equipment and Investment Property (Carrying Value) x 100

**Norm**

The norm is 8%

**Interpretation of Results**

A ratio below the norm is a reflection that insufficient monies are being spent on repairs and maintenance to the extent that it could increase impairment of useful assets.

An increasing expenditure trend may be indicative of high asset-usage levels, which can prematurely require advanced levels of Repairs and Maintenance or a need for Asset Renewal / Replacements. Also, should an increasing expenditure trend suddenly drop to lower levels without an increase in the fixed asset value, this may be indicative of challenges in spending patterns. This may also indicate that the Municipality is experiencing cash flow problems and therefore unable to spend at

appropriate levels on its repairs to existing assets or purchase of new assets thus impacting negatively on service delivery.

## B. Debtors Management

### 1. Collection Rate

#### *Purpose/ Use of the Ratio*

The Ratio indicates the collection rate; i.e. level of payments. It measures increases or decreases in Debtors relative to annual billed revenue. In addition, in order to determine the real collection rate bad debts written-off is taken into consideration.

#### *Formula*

Gross Debtors Opening Balance + Billed Revenue – Gross Debtors Closing Balance -  
Bad Debts Written Off) / Billed Revenue x 100

#### *Norm*

The norm is 95%

#### *Interpretation of Results*

Assessing the Collection Ratio will provide an indication of the performance against a number of areas, for example:

- Quality of Credit Control - ensuring that what is billed is collected; and
- Quality of Revenue Management - the ability to set affordable tariffs and bill correctly.

If the ratio is below the norm this is an indication that revenue collection of the municipality requires urgent attention and corrective measures should be implemented. A municipality with outstanding debtors should aim at achieving a collection rate of more than 100%. The results from this ratio should be viewed along with results from the age analysis and net debtor's day's ratio.

### 2. Bad Debts Written-off as % of the Bad Debt Provision

#### *Purpose/ Use of the Ratio*

The Ratio compares the value of Bad Debts Written-off on Consumer Debtors to Bad Debts Provided for Consumer Debtors to ensure that the Provision for Bad Debts is sufficient.



**Formula**

Bad Debts Written-off (Period under review)/ Provision for Bad Debt (Period under review x 100

**Norm**

The norm is 100%

**Interpretation of Results**

Municipality should only write-off Bad Debts already provided for and, if the results are less than 100%, it should be ideally due to the recoverability of debtors. When 100% is exceeded, it indicates that the Municipality had not previously identified the Debtor/s as having the potential for defaults, which could indicate weakness in calculation of the Provision for Bad Debt, the methodology used and/or poor credit control processes.

**3. Net Debtors Days****Purpose/ Use of the Ratio**

This ratio reflects the collection period. Net Debtor Days refers to the average number of days required for a Municipality or Municipal Entity to receive payment from its Consumers for bills/invoices issued to them for services.

The Ratio exclude balances for Debtors, which the Municipality or Municipal Entity has assessed as potentially irrecoverable, and is also a good indication of the effectiveness of credit control procedures within the Municipality or Municipal Entity as well as the extent to which the Municipality or Municipal Entity has provided for Doubtful Debts.

**Formula**

$((\text{Gross Debtors} - \text{Bad Debt Provision}) / \text{Billed Revenue}) \times 365$

**Norm**

The norm is 30 Days

**Interpretation of Results**

This Ratio adjusts for Municipality's who have had significant write-offs of Irrecoverable Debtor balances in the Gross Debtors Days analysis as it only assesses the performance of collectable Debtors. In addition, it provides an indication of the quality of credit control policy, effectiveness of the implementation thereof and quality of revenue management. If the ratio is above the norm, this indicates that the Municipality is exposed to significant Cash Flow risk. This is also an indication that the municipality is experiencing challenges in the collection of outstanding amounts due to it. In addition,

this indicates that a significant amount of potential cash is tied up in consumer debtors and the municipality must improve its revenue and cash flow management.

### **C. Liquidity Management**

#### **1. Cash/ Cost Coverage Ratio (Excluding Unspent Conditional Grants)**

##### ***Purpose/ Use of the Ratio***

The Ratio indicates the Municipality's or Municipal Entity's ability to meet at least its monthly fixed operating commitments from cash and short-term investment without collecting any additional revenue, during that month.

The Ratio is adjusted for Unspent Conditional Grants as the cash is not available for normal Municipal day-to-day operational expenditure but rather reserved for Grant related expenditure.

##### ***Formula***

$$\frac{((\text{Cash and Cash Equivalents} - \text{Unspent Conditional Grants} - \text{Overdraft}) + \text{Short Term Investment})}{\text{Monthly Fixed Operational Expenditure excluding (Depreciation, Amortisation, and Provision for Bad Debts, Impairment and Loss on Disposal of Assets)}}$$

##### ***Norm***

The norm range between **1 month to 3 months**.

##### ***Interpretation of Results***

If a municipality has a ratio below the norm it would be vulnerable and at a higher risk in the event of financial "shocks/set-backs" and its ability to meet its obligations to provide basic services or its financial commitment is compromised. The results from this ratio should be viewed along with results from analysis on Debtor Management to fully assess Cash Flow Risk. The more cash reserves a municipality or municipal entity has available the lower the risk of it being unable to fund monthly fixed operational expenditure and to continue rendering services.

#### **2. Current Ratio**

##### ***Purpose/ Use of the Ratio***

The Ratio is used to assess the Municipality's or Municipal Entity's ability to pay back its Short-term Liabilities (Debt and Payables) with its Short-term Assets (Cash, Inventory, Receivables).



**Formula**

Current Assets / Current Liabilities

**Norm**

The norm range between 1.5 to 2 :1

**Interpretation of Results**

The higher the current Ratio, the more capable the Municipality or Municipal Entity will be to pay its current or short-term obligations and provide for a risk cover to enable it to continue operations at desired levels. A financial ratio under 1 suggests that the Municipality or Municipal Entity would be unable to pay all its current or short-term obligations if they fall due at any specific point.

If current liabilities exceed current assets, it highlights serious financial challenges and likely liquidity problems *i.e.* insufficient cash to meet short-term financial obligations. Current assets must therefore be increased to appropriately cover current liabilities otherwise there is a risk that non-current assets will need to be liquidated to settle current liabilities.

**D. Liability Management****1. Capital Cost (Interest Paid and Redemption) as a % of Total Operating Expenditure****Purpose/ Use of the Ratio**

The Ratio indicates the cost required to service the borrowing. It assesses the Borrowing or Payment obligation expressed as a percentage of Total Operating Expenditure.

**Formula**

Capital Cost (Interest Paid and Redemption) / Total Operating Expenditure x 100

**Norm**

The norm is between 6% to 8%

**Interpretation of Results**

Operating below the Norm could indicate that the Municipality has the capacity to take on additional financing from borrowing to invest in infrastructure projects or it could relate to cash flow problems where it is unable to access borrowed funds or the funding decisions of the municipality impacts of these levels. On the other hand, exceeding the Norm could pose a risk to the Municipality should changes or fluctuations in financing costs arise.

When assessing this ratio, the cash flow requirements of the Municipality or Municipal Entity should also be considered.

## 2. Debt (Total Borrowings)/ Total Operating Revenue

### *Purpose/ Use of the Ratio*

The Ratio indicates the extent of Total Borrowings in relation to Total Operating Revenue. It indicates short and long term debt financing relative to operating revenue of the municipality.

The purpose of the Ratio is to provide assurance that sufficient Revenue will be generated to repay Liabilities. Alternatively stated, the Ratio indicates the affordability of the Total Borrowings.

### *Formula*

Debt (Short Term Borrowing + Bank Overdraft + Short Term Lease + Long Term Borrowing + Long Term Lease) / Total Operating Revenue - Operating Conditional Grant

### *Norm*

The norm is 45%

### *Interpretation of Results*

If the result of the Ratio analysis indicates less than 45% then the Municipality still has capacity to take increase funding from borrowings, however, this should be considered within the cash flow requirements of the Municipality or Municipal Entity.

## E. Sustainability

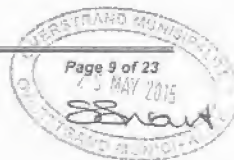
### 1. Level of Cash Backed Reserves (Net Assets - Accumulated Surplus)

#### *Purpose/ Use of the Ratio*

The Ratio measures the extent to which the Other Reserves, which are required to be cash backed are actually backed by Cash Reserves.

#### *Formula*

(Cash and Cash Equivalents - Bank Overdraft + Short Term Investment + Long Term Investment - Unspent Conditional Grants) / (Net Assets - Accumulated Surplus - Non Controlling Interest - Share Premium - Share Capital - Fair Value Adjustment - Revaluation Reserve)





*Norm*

The norm is 100%

*Interpretation of Results*

If a Municipality or Municipal Entity has less than 100% Cash Reserves it could negatively impact the Municipality's or Municipal Entity ability to comply with the conditions for creating the Reserves and on its ability to fund current and future operations.

**2. FINANCIAL PERFORMANCE****A. Efficiency****1. Net Operating Surplus Margin***Purpose/ Use of the Ratio*

The Ratio assesses the extent to which the Municipality generates Operating Surpluses.

*Formula*

$$\frac{(\text{Total Operating Revenue} - \text{Total Operating Expenditure})}{\text{Total Operating Revenue}} \times 100\%$$

*Norm*

The norm is equal to or greater than 0%

*Interpretation of Results*

Municipalities should at least recover operational costs for the services being delivered. In addition, a ratio which is greater than 0% will enable the municipality to generate a surplus which will assist to contribute towards its capital funding requirements. If the result is less than 0% it implies that the municipality is operating at a deficit and measures must be implemented to address this situation to ensure sustainable service delivery. In a case of an operating deficit it is critical to ascertain the extent to which the accounting policy, i.e. revaluation method has impacted on the calculations to avoid any distortions in interpretation of the outcome. Refer to Circular 58 section 4.3 regarding revaluation in terms of GRAP 17 and treatment of depreciation and GRAP 24.

**2. Net Surplus /Deficit Electricity***Purpose/ Use of the Ratio*

This ratio measures the extent to which the municipality generates surplus or deficit in rendering electricity service. The purpose of the Ratio is to determine the contribution

made by the provision of Electricity Services, being one of the major functions of a municipality.

**Formula**

Total Electricity Revenue less Total Electricity Expenditure / Total Electricity Revenue x 100%

**Norm**

The Norm range between 0% and 15%

It should be noted that this norm will be superseded by sector determinations from time to time, as other regulatory bodies address the appropriate level of tariffs and surpluses.

**Interpretation of Results**

A ratio below 0% depicts that electricity service is rendered at a deficit/loss and will be unsustainable if other revenue is not allocated to fund such services. The results must be between the range to ensure services are sustainable and that all costs associated with the delivery of Electricity Services are at least recovered with a margin for future growth and/ or capital funding for electricity assets.

**3. Net Surplus / Deficit Water**

**Purpose/ Use of the Ratio**

This ratio measures the extent to which the municipality generates surplus or deficit in rendering water service. The purpose of the Ratio is to determine the contribution made by the provision of water service being one of the major functions of a municipality.

**Formula**

Total Water Revenue less Total Water Expenditure / Total Water Revenue x 100%

**Norm**

The norm is equal to or greater than 0% and will be superseded by the sector determination from time to time, as other regulatory bodies address the appropriate level of tariffs, surpluses and subsidisation.

**Interpretation of Results**

A ratio below 0% depicts that water service is rendered at a loss and unsustainable. The results must not be below the norm so as to ensure that the Services are sustainable and that all costs associated with the delivery of Water Services are at least recovered with a margin for future growth and/ or capital funding for water assets.



#### 4. Net Surplus / Deficit Refuse

##### *Purpose/ Use of the Ratio*

This ratio measures the extent to which the municipality generates surplus or deficit in rendering refuse service. The purpose of the Ratio is to determine the contribution made by the provision of refuse service being one of the major functions of a municipality.

##### *Formula*

Total Refuse Revenue less Total Refuse Expenditure / Total Refuse Revenue x 100%

##### *Norm*

The Norm is equal to or greater than 0% and will be superseded by the Sector determination from time to time, as other regulatory bodies address the appropriate level of tariffs, surpluses and subsidisation.

##### *Interpretation of Results*

A ratio below 0% depicts that refuse service is rendered at a loss and unsustainable. The results must not be below the norm so as to ensure that the Services are sustainable and that all costs associated with the delivery of Refuse Services are at least recovered with a margin for future growth and/ or capital funding for Refuse assets.

#### 5. Net Surplus / Deficit Sanitation and Waste Water

##### *Purpose/ Use of the Ratio*

This ratio measures the extent to which the municipality generates surplus or deficit in rendering sanitation and waste water service. The purpose of the Ratio is to determine the contribution made by the provision of sanitation and waste water services being one of the major functions of a municipality.

##### *Formula*

Total Sanitation and Waste Water Revenue less Total Sanitation and Waste Water Expenditure / Total Sanitation and Waste Water Revenue x 100%

##### *Norm*

The norm is equal to or greater than 0% and will be superseded by the sector determination from time to time, as other regulatory bodies address the appropriate level of tariffs, surpluses and subsidisation.



*Interpretation of Results*

A ratio below 0% depicts that sanitation and waste water is rendered at a loss and unsustainable. The results must not be below the norm so as to ensure that the Services are sustainable and that all costs associated with the delivery of sanitation and waste water are at least recovered with a margin for future growth and / or capital funding for assets.

**B. Distribution Losses****1. Electricity Distribution Losses (Percentage)***Purpose/ Use of the Ratio*

The purpose is to measure the percentage loss of potential revenue from Electricity Services through electricity units purchased and generated but not sold as a result of losses incurred through theft (illegal connections), non or inaccurate metering or wastage. It is expected that implementation of the free basic service policy is included in the calculation for sale of electricity.

*Formula*

$$(\text{Number of Electricity Units Purchased and / or Generated} - \text{Number of Electricity Units Sold}) / \text{Number of Electricity Units Purchased and / or Generated} \times 100$$

*Norm*

The Norm is between 7% and 10% and will be superseded by the sector determination.

*Interpretation of Results*

A ratio below the norm depicts that electricity losses are well managed. If the Ratio exceeds the norm it could indicate various challenges, for example, deteriorating electricity infrastructure or poor management of the networks, affecting the Municipality or Municipal Entity, which would require further analysis to determine the reasons for such losses. In addition, the root causes should be addressed.

**2. Water Distribution Losses (Percentage)***Purpose/ Use of the Ratio*

The purpose of this ratio is to determine the percentage loss of potential revenue from water service through kilolitres of water purchased but not sold as a result of losses incurred through theft (illegal connections), non- or incorrect metering or wastage as a result of deteriorating water infrastructure. It is expected that implementation of the free basic service policy is included in the calculation for sale of water.



**Formula**

$$\frac{(\text{Number of Kiloliters Water Purchased or Purified} - \text{Number of Kilolitres Water Sold})}{\text{Number of Kiloliters Water Purchased or Purified}} \times 100$$

**Norm**

The Norm is between 15% and 30%

**Interpretation of Results**

A ratio within the norm depicts that water losses and water infrastructure are well managed. If the Ratio exceeds the norm it could indicate various challenges, for example, ageing water infrastructure or poor management, affecting the Municipality or Municipal Entity, which would require further analysis and explanation to determine the reasons for such losses. In addition, the root causes should be addressed.

**C. Revenue Management****1. Growth in Number of Active Consumer Accounts****Purpose/ Use of the Ratio**

The ratio measures the actual growth in the Revenue base of the Municipality brought about by an increase in the Consumer base rather than tariff increases.

**Formula**

$$\frac{(\text{Period under Review's Number of Active Debtor Accounts} - \text{Previous Period's Number of Active Debtor Accounts})}{\text{Previous Period Number of Active Debtor Accounts}} \times 100$$

**Norm**

No Norm is currently being proposed for this Ratio but will be monitored and a determined in the future. Municipalities are requested to report on this aspect to its Council.

**Interpretation of Results**

The results from this analysis will have to be taken into consideration when assessing the Growth in Revenue to determine the Real Growth in the Customer base vs growth due to tariff and inflationary adjustments. Growth in number of active consumers indicates an increase in revenue base.

Further, the impact of growth on the Indigent Base vs Growth in Paying Consumers should be assessed regularly as this must be used to inform Councils policy.



### Purpose/ Use of the Ratio

*Formula*

Norm

The norm is at the rate of CPI

### Interpretation of Results

### 3. Revenue Growth (%) - Excluding Capital Grants

### Purpose/Use of the Ratio

### Formula

Norm

The norm is at the rate of **CPI**

### Interpretation of Results

The Revenue Growth has to be assessed in conjunction with the growth in the Revenue base, number of consumer accounts to determine the real Growth.

**D. Expenditure Management****1. Creditors Payment Period (Trade Creditors)****Purpose/ Use of the Ratio**

This ratio indicates the average number of days taken for Trade Creditors to be paid.

**Formula**

Trade Creditors Outstanding / Credit Purchases (Operating and Capital) × 365

**Norm**

The norm is 30 days

**Interpretation of Results**

A period of longer than 30 days to settle creditors is normally an indication that the Municipality may be experiencing cash flow problems, however in certain instances this may be as a result of disputes, processing of payments, etc. In addition, a ratio that exceeds the norm indicates that the Municipality may not be adequately managing its Working Capital or that effective controls are not in place to ensure prompt payments. The municipality will be required to provide further explanations in this regard.

**2. Irregular, Fruitless and Wasteful and Unauthorised Expenditure/ Total Operating Expenditure****Purpose/ Use of the Ratio**

The ratio measures the extent to which the Municipality has incurred Irregular, Fruitless and Wasteful and Unauthorised Expenditure.

**Formula**

(Irregular, Fruitless and Wasteful and Unauthorised Expenditure) / Total Operating Expenditure × 100

The net amount after condonement should be used in this calculation.

**Norm**

The norm is 0%

**Interpretation of Results**

A ratio that exceeds 0% must be investigated and acted upon.



3. Remuneration (Employee Related Costs and Councillors Remuneration) as % of Total Operating Expenditure)

**Purpose/ Use of the Ratio**

The ratio measures the extent of Remuneration to Total Operating Expenditure.

**Formula**

Remuneration (Employee Related Costs and Councillors' Remuneration) / Total Operating Expenditure x 100

**Norm**

The norm range between 25% and 40%

**Interpretation of Results**

If the ratio exceed the norm it could indicate inefficiencies, overstaffing or even the incorrect focus due to misdirected expenditure to non-essentials or non-service delivery related expenditure. Various factors need to be considered when commenting on this ratio, such as the powers and functions performed by the municipality or entity, as this can create distortions in the outcomes, if the analysis ignores such factors.

4. Contracted Services % of Total Operating Expenditure

**Purpose/ Use of the Ratio**

This ratio measures the extent to which the municipalities resources are committed towards contracted services to perform Municipal related functions.

**Formula**

Contracted Services / Total Operating Expenditure x 100

**Norm**

The norm range between 2% and 5%

**Interpretation of Results**

A ratio in excess of the Norm could indicate that many functions are being outsourced to Consultants, or that Contracted Services are not effectively utilised. This also depends on the model of service delivery selected by the municipality. In addition, outsourcing decisions will have to be weighed against the ability to attract skills; however, increases in this ratio can further expose the municipality to other risks, such as its inability to build capacity and ongoing reliance on Contractors.



**E. Grant Dependency****1. Own Funded Capital Expenditure (Internally Generated Funds + Borrowings) to Total Capital Expenditure****Purpose/ Use of the Ratio**

The Ratio measures the extent to which the municipality's Total Capital Expenditure is funded through Internally Generated Funds and Borrowings.

**Formula**

Own Funded Capital Expenditure (Internally Generated Funds + Borrowings) / Total Capital Expenditure x 100

**Norm**

No norm is proposed at this time. It is critical that the funding mix of capital expenditure is undertaken in such a manner that affordable borrowing is directed towards addressing service delivery needs and that there is also opportunity for increased capacity on internally generated funding to attain an improved balance of the funding sources.

**2. Own Funded Capital Expenditure (Internally Generated Funds) to Total Capital Expenditure****Purpose/ Use of the Ratio**

The Ratio measures the extent to which Total Capital Expenditure of the Municipality is funded through Internally Generated Funds.

**Formula**

Own funded Capital Expenditure (Internally Generated Funds) / Total Capital Expenditure x 100

**Norm**

No norm is proposed at this time. The funding mix for capital expenditure is dependent on the municipal policy and ability to raise revenue from different sources. Increased capacity for internally generated funding is required in some circumstances, which could also improve the balance in funding sources.

**3. Own Source Revenue to Total Operating Revenue (Including Agency Revenue)****Purpose/ Use of the Ratio**

The Ratio assesses the extent of Own Source Revenue to Total Operating Revenue, including Agency Revenue hence self-sufficiency.

**Formula**

Own Source Revenue (Total Revenue - Government Grants and Subsidies - Public Contribution and Donations) / Total Operating Revenue (Including Agency Services) x 100

**Norm**

No norm is proposed at this time. The municipal specific circumstances, including the powers and functions assigned to it, must be considered when assessing the level of own source revenue or its self-sufficiency. An analysis of the trends and levels of own source of revenue will also inform the municipality and users of measures taken to optimise own revenues. The ratio measuring own source revenue should be increasing over time as it reflects municipal efforts towards self-sufficiency.

**3. BUDGET IMPLEMENTATION****1. Capital Expenditure Budget Implementation Indicator****Purpose/ Use of the Ratio**

This ratio measures the extent to which Budgeted Capital Expenditure has been spent during the financial year, under review. Further, this ratio measures the municipality's ability to implement capital projects and monitor the risks associated with non-implementation. The ratio also assess whether the municipality has effective controls in place to ensure that expenditure is incurred in accordance with an approved budget.

**Formula**

Actual Capital Expenditure / Budget Capital Expenditure x 100

**Norm**

The norm range between 95% and 100%

**Interpretation of Results**

This can be used in-year to monitor progress. Any variance below 95% indicates discrepancies in planning and budgeting, capacity challenges to implement projects and/or Supply Chain Management process failures, which should be investigated and corrective measures implemented.

Under-spending is also an indicator that the Municipality might be experiencing possible cash flow difficulties to implement projects. Ideally, under-spending should be the result of improved efficiencies and not as a result of non-implementation of programmes and/or projects.

## 2. Operating Expenditure Budget Implementation Indicator

This ratio measures the extent to which Budgeted Operating Expenditure has been spent during the financial year, under review. The ratio also assess whether the municipality has effective controls in place to ensure that expenditure is incurred in accordance with an approved budget.

$$\text{Actual Operating Expenditure} / \text{Budgeted Operating Expenditure} \times 100$$

The norm range between 95% and 100%

Any variance from 100% indicates either challenge in capacity to implement, issues of financial controls and management and/or poor budgeting.

Under-spending normally is an indicator that the Municipality experiences possible Cash Flow difficulties or capacity challenges to undertake Budgeted/ planned service delivery, and/ or does not prepare accurate and credible Budgets. Ideally, under-spending should be the result of improved efficiencies and not as a result of non-implementation of programmes and/or projects.

Overspending may also indicate inaccurate budgeting or poor financial management control in respect of budget control.

### Purpose/ Use of the Ratio

This ratio measures the extent of Actual Operating Revenue (Excl. Capital Grant Revenue) received in relation to Budgeted Operating Revenue during the financial year, under review.

$$\text{Actual Operating Revenue} / \text{Budgeted Operating Revenue} \times 100$$